# Case debate

### 1nc Frontline – Oil Advantage

#### 1. No internal link – US not key India proves

**Sharma, 2012**

(Rakesh, “Indian Oil Firms Invest $3B in Venezuela”, July 11, <http://www.rigzone.com/news/oil_gas/a/119241/Indian_Oil_Firms_Invest_3B_in_Venezuela>, accessed on 7/4/13, BT)

Indian state-run oil companies plan to invest nearly $3 billion in Venezuelan crude-oil production projects as part of efforts to address an energy shortage threatening India’s economic growth. India suffers from shortages of coal, crude oil and natural gas. Its power sector has been crippled by the coal shortage, which has delayed the development of multibillion-dollar projects. In expanding its presence in Venezuela, India is following in the footsteps of rival China, which has become a major importer of Venezuelan crude as part of loans-for-oil agreements. A consortium of state-run Indian companies led by ONGC Videsh Ltd., the overseas invesetment arm of Oil & Natural Gas Corp., plans to invest an additional $2.2 billion in the Carabobo- 1 heavy oil project, the government said in a statement Wednesday.

#### 2. No internal link and no impact – other investment occurring now to develop production

**Vyas, 2012**

(Kejal, “Venezuela Wants Unasur Investment in Orinoco Heavy Oil Belt”, November 16, <http://www.rigzone.com/news/oil_gas/a/122189/>, accessed on 7/4/13, BT)

State energy monopoly, Petroleos de Venezuela, proposed Thursday that national oil companies within the Union of South American Nations, or Unasur, bloc, jointly invest in developing Venezuela's massive Orinoco heavy belt.Venezuela is looking for allies in the region to help fund the development of 11 production blocks in the Orinoco region, as well as invest in offshore gas projects, refineries and the upgrader facilities needed to process the country's tar-like heavy oil, PdVSA, as the state company is known, said in a statement.Development of the Orinoco belt is central to President Hugo Chavez's plans to boost Venezuela's crude production in coming years. PdVSA says it will need a total of $251 billion between 2013 and 2019 to finance oil projects and build infrastructure in the mostly barren Orinoco region, but analysts question how the company will be able to attract the investment.Under Mr. Chavez's leadership, the Venezuelan government has expropriated a number of oil projects run by foreign private companies in recent years--moves that critics say make investors reluctant to put money into Venezuela's energy industry.The government says it aims to boost crude output to 3.5 million barrels a day by the end of the year and 4 million barrels a day by 2014, from just over 3 million barrels currently.PdVSA has invested an average of $15 billion in each of the last five years toward advancing is production plans.Venezuela currently exports 133,000 barrels a day of oil and derivatives to members of Unasur and hopes to more than double that to 300,000 barrels a day by 2019, PdVSA said in its statement.Unasur's members include Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay and Venezuela. The countries are home to about 400 million people.

#### 3. No internal link- US still receives most of Venezuela oil – and other companies still operating in Venezuela

**O’Neil 2013**

(Shannon, Senior Fellow of Latin America Studies at the Council on Foreign Relations, “Viewpoint: New era for US-Venezuela relations?,” 3-6-13, 7-2-13, http://www.bbc.co.uk/news/world-us-canada-21680885)//KC

First and foremost are the economic ties between the two nations. Despite the rhetorical animosity of the last decade, trade continued. The US remains the largest recipient of Venezuelan oil - some 40% percent of Venezuelan oil exports (and oil makes up over 90% of the country's total exports). In turn, the US has continued to send machinery and cars, and even increased exports of natural gas and petroleum products to the South American nation. The hard currency and goods are vital to the functioning of Venezuela's economy, government and society, and may become even more so through the anticipated tough economic times ahead. Man holds a protest sign with Hillary Clinton and Barack Obama made to look like demons Venezuelans protested American officals on the ninth anniversary of the failed coup against Chavez Despite the increased government management of the economy through price controls and the nationalisation of hundreds of private companies over the last decade, many well- and lesser-known US companies still work in Venezuela, providing not just goods but ongoing links with the United States. In addition to these commercial links, the more than 200,000 Venezuelans living in the US and the hundreds of thousands more that have ties through family, friends and colleagues, could also bring the two countries together. Finally, as subsequent Venezuelan governments look to adjust their economic policies in the coming months and years, the experience of their neighbours provide incentives to forge a more amicable bilateral relationship.

#### 4. Turn – increase reliance on oil bad for economy \*\*

**Rosenberg 2013**

(Tina, is a fellow at the World Policy Institute and an editorial writer for The New York Times, “Avoiding the Curse of the Oil-Rich Nations,” New York Times, 2-13-13, 7-1-13, http://opinionator.blogs.nytimes.com/2013/02/13/avoiding-the-curse-of-the-oil-rich-nations/?\_r=0)//KC

Every nation wants to strike oil, and after it happens, nearly every nation is worse off for it. It may seem paradoxical, but finding a hole in the ground that spouts money can be one of the worst things that can happen to a country.

Oil-dependent countries, writes the Stanford professor Terry Karl, “eventually become among the most economically troubled, the most authoritarian, and the most conflict-ridden in the world.” This phenomenon is called the resource curse.

Oil is the world’s most capital-intensive industry, so it creates few jobs. Worse, it obliterates jobs all across the economy. The export of oil inflates the exchange rate, so whatever else a country manufactures is less competitive abroad.

Oil concentrates a nation’s economy around the state. Instead of putting resources into making things and selling them, ambitious people spend their time currying favor or simply bribing the politicians and government officials who control oil money. That concentration of wealth, along with the opacity with which oil can be managed, creates corruption.

#### 5. NO impact – oil price spikes don’t harm the economy highly qualified studies prove

**Kahn 11** (Jeremy, 13 feb 2011, “Crude reality,” http://articles.boston.com/2011-02-13/news/29336191\_1\_crude-oil-shocks-major-oil-producers, CMR)

Among those asking this tough question are two young professors, Eugene Gholz, at the University of Texas, and Daryl Press, at Dartmouth College. To find out what actually happens when the world’s petroleum supply is interrupted, the duo analyzed **every major oil disruption since 1973**. The results, published in a recent issue of the journal Strategic Studies, showed that in almost all cases, the ensuing rise in prices, while sometimes steep, was short-lived and had little lasting economic impact. When there have been prolonged price rises, they found the cause to be panic on the part of oil purchasers rather than a supply shortage. When oil runs short, in other words, the market is usually **adept at filling the gap.**

One striking example was the height of the Iran-Iraq War in the 1980s. If anything was likely to produce an oil shock, it was this: two major Persian Gulf producers directly targeting each other’s oil facilities. And indeed, prices surged 25 percent in the first months of the conflict. But within 18 months of the war’s start they had fallen back to their prewar levels, and they **stayed there even though the fighting continued to rage for six more years**. Surprisingly, during the 1984 “Tanker War” phase of that conflict — when Iraq tried to sink oil tankers carrying Iranian crude and Iran retaliated by targeting ships carrying oil from Iraq and its Persian Gulf allies — the price of oil continued to drop steadily. Gholz and Press found just one case after 1973 in which the market mechanisms failed: the 1979-1980 Iranian oil strike which followed the overthrow of the Shah, during which Saudi Arabia, perhaps hoping to appease Islamists within the country, also led OPEC to cut production, exacerbating the supply shortage.

In their paper, Gholz and Press ultimately conclude that the market’s adaptive mechanisms function independently of the US military presence in the Persian Gulf, and that they largely protect the American economy from being damaged by oil shocks. “To the extent that the United States faces a national security challenge related to Persian Gulf oil, it is not ‘how to protect the oil we need’ but ‘how to assure consumers that there is nothing to fear,’ ” the two write. “That is a thorny policy problem, but it does not require large military deployments and costly military operations.”

#### 6. Non-unique Oil prices high now

**Hargreaves 2013**

(Steve, staff writer for CNNMoney.com, “Oil prices surge above $106, gasoline tops $3.50,” CNN, 7-10-13, 7-10-13, http://money.cnn.com/2013/07/10/news/economy/oil-prices/?hpt=hp\_t2)//KC

U.S. oil prices jumped above $106 a barrel Wednesday, their highest level in over a year, as stockpiles of crude dwindled and tensions in Egypt kept traders on edge. Gasoline prices in the United States also began to move higher. Oil prices rose nearly $3 a barrel following a report from the American Petroleum Institute showing a 9 million barrel draw down in crude oil stored in tanks around the country. Another report from the U.S. Energy information Administration showed a similar draw. The $3 rise comes on top of gains made over the last couple of weeks after widespread protests and a military takeover in Egypt. U.S. oil prices are up 10% since the end of June. The rise in crude prices is beginning to make its way into the cost of gasoline. After falling for several weeks, average gas prices in the United States ticked up 2 cents a gallon overnight to $3.50.

### Canada oil tradeoff Turn

#### Venezuela low output benefits Canada oil

Campbell, 2013 (Darren, “A new leader could signal change for Venezuela’s troubled oil and gas sector; If Nicolas Maduro can reverse the industry's decline, it could siphon off investment in Alberta's oil sands,” 4/16/2013, http://www.albertaoilmagazine.com/2013/04/a-new-leader-could-signal-change-for-venenzuelas-oil-and-gas-sector/, accessed tm 7/8

Oil-rich Venezuela has a new president and his name is Nicolas Maduro.¶ On Monday, Maduro was declared the winner of the closest presidential election the country has had in 45 years. He succeeds Hugo Chavez, who died of cancer on March 5.¶ Normally, we wouldn’t write about the results of an election from a far-off outpost like Venezuela here at Energy Ink. But Venezuela isn’t just any outpost.¶ It has some of the largest oil and gas reserves in the world. And under Chavez, the industry and the state-run company, the Petroleos de Venezuela, S.A (PDVSA), have been run badly.¶ That, of course, has been good for Alberta’s own oil and gas industry, particularly the oil sand sector.¶ That’s because Venezuelan heavy oil is a competitor to the bitumen and heavy oil Alberta produces, and as long as the Venezuelan oil and gas industry is badly underperforming, some of the investment that could be going to develop its reserves will flow to the oil sands.

Boost US economy – jobs

Weber, Purchasing Supervisor at CTS Canada, 2012, Bob, “Oilsands Investment Benefits All Of Canada, As Well As U.S.: Conference Board”, HuffingtonPost, October 24th 2012, <http://www.huffingtonpost.ca/2012/10/24/oilsands-investment-benefits-canada-us_n_2009122.html>, 7/8/13, JG

Economic benefits from oil sands investment are eye-poppingly large and will be spread across the country, says the Conference Board of Canada, but the biggest beneficiary outside Alberta will be the United States.¶ "The international effects totals are larger than the interprovincial effects and the U.S. is the largest international," Michael Burt, who wrote the report commissioned by Alberta and the federal government, said Wednesday. "It's not unusual for us to trade more north-south than east-west."¶ Released at a conference of oil sands-related businesses, the report paints a dazzling picture of energy-fuelled job growth — as long as development proceeds uninhibited.¶ The paper predicts an estimated $364 billion in investment by 2035 is anticipated to create at least 2.3 million person-years of employment. That's the equivalent of about 100,000 jobs a year, either directly or in companies supplying goods and services.¶ The report says 54 per cent of those benefits are expected to remain in Alberta. The rest of Canada will divvy up just under 20 per cent.¶ It also expects Ontario to lead with nearly 10,000 jobs a year created through direct goods and services supplied to the industry. British Columbia comes next with about 5,400 jobs, followed by the Prairies at 2,700 and Quebec with about 2,500 jobs a year.¶ Atlantic Canada can expect about 530 jobs a year.¶ Other countries will reap about 27 per cent of the benefits. In the U.S., 8,300 jobs a year will be created in the manufacturing sector alone, says the report.

### **Extensions – Tar Sands need investment**

#### CERI estimate trillions in economic benefits from Canadian oil sands

McLellan, Manager - intellectual property, at Petrobank Energy and Resources Ltd. in Calgary, 2013, David, “The oil sands’ benefits”, Financial Post, January 14th 2013, <http://opinion.financialpost.com/2013/01/14/the-oil-sands-benefits/>, 7/9/13, JG

CERI estimates that the overall economic contribution from the oil sands will be $2.1-trillion over the next 25 years. Their study also shows that $783-billion will be paid in federal and provincial taxes and royalties. The significance of this contribution cannot be overstated as our nation begins to confront demographic challenges owing to aging Baby Boomers and the associated health-care and pension commitments. Understand and appreciate that this windfall has already been effectively spent by politicians as we have hundreds of billions of dollars in accumulated debts to service in addition to the aforementioned obligations. If we are to avoid a future of significant tax increases coupled with cuts to entitlements and services, we need this wealth generation. Realizing this economic potential will require a massive capital investment in project development and pipeline transportation. The good news is that Canada’s reserves represent half of all the global oil available for direct investment. Sovereign wealth funds and state-owned enterprises now possess a significant bankroll of investable capital and they are seeking opportunities to invest in our energy. CERI reports that the investment capital required is expected to exceed $253-billion, with another $1.8-trillion required to fund operations, maintenance and sustaining capital. Numbers of this magnitude require significant foreign involvement and we should welcome it.

**\*\*\*\*See aff cards for more link tradeoff arguments**

### Extension – investment now in production

#### Chevron giving new credit line to Venezuela – development heavy oil fields

**Oil and Gas Journal June 17 2013**

“Chevron, PDVSA sign Petroboscan finance deal”

[**http://www.ogj.com/articles/2013/06/chevron--pdvsa-sign-petroboscan-finance-deal.html**](http://www.ogj.com/articles/2013/06/chevron--pdvsa-sign-petroboscan-finance-deal.html) **access 7/3 tm**

Chevron International and [Petroleos de Venezuela SA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=Petroleos%20de%20Venezuela%20SA%20&indexType=C" \t "_parent) have signed a $2 billion long-term credit line for their Petroboscan joint venture that [PDVSA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA%20&indexType=C" \t "_parent) says aims at raising production at Boscan heavy oil field by 20,000 b/d.¶ The agreement secures a corporate loan from Chevron to Petroboscan, conditional on the production increase, according to [PDVSA.](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA.&indexType=C" \t "_parent)¶ Boscan, developed in 1947, now produces about 107,000 b/d of 10° gravity oil, mostly used for asphalt. It's in Zulia state in western Venezuela.¶ Chevron and [PDVSA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA%20&indexType=C" \t "_parent) formed Petroboscan in 2006 to operate Boscan field until 2026 after the government of Venezuela required foreign companies to become minority shareowners in oil-producing projects. Chevron, with 39.2% of Petroboscan, formerly operated the field under an operating services agreement.¶ Repayment of the new loan, which has a rate equivalent to the London Interbank Offer Rate (LIBOR) plus 4.5%, is expected by June 30, 2025.¶ Rafael Ramirez, minister of petroleum and mining, said funds will be used to optimize old infrastructure at the field.¶ The deal pushes to $8 billion the total value of financial agreements [PDVSA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA%20&indexType=C" \t "_parent) has signed with non-Venezuelan companies recently.¶ [China National Petroleum Corp.](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC0002S45%23&searchTerm=China%20National%20Petroleum%20Corp.%20&indexType=C" \t "_parent) in May signed a $4 billion agreement to raise production of the Petrolera Sinovensa joint venture in the Carabobo area of the Orinoco belt to 330,000 b/d of heavy oil in 2016 from 140,000 b/d at present.¶ More recently, Rosneft of Russia entered an agreement with [PDVSA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA%20&indexType=C" \t "_parent) to provide $1.5 billion in financing to form a joint venture called Corporacion Venezolana del Petroleo for the Carobobo-2 project, aiming at production of 400,000 b/d by 2019 (OGJ Online, May 24, 2013).¶ And Schlumberger recently agreed to provide a revolving line of credit in an initial amount of $1 billion for delivery of oil services to maintain and increase [PDVSA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727392759&csi=8039&A=0.4677903743084558&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA%20&indexType=C" \t "_parent) activities and sustain cash flow.¶

#### PdVSA increasing production investment now

**YVKE**, Press Office-Venezuelan Embassy to the US, **2011**

(“PDVSA to Increase Oil Production with $147 Billion Investment”, Embassy of the Bolivarian Republic of Venezuela, http://venezuela-us.org/2011/07/27/pdvsa-to-increase-oil-production-with-147-billion-investment/ July 27, accessed on 7/4/13, BT)

The 2011-2015 investment plan of the state-owned Petróleos de Venezuela (PDVSA) includes $147 billion to increase oil production from 3.1 to 4.15 million barrels per day.**[During an event to present PDVSA’s 2010 Financial and Operational Assessment](http://www.youtube.com/watch?v=3D1tqpLthsw" \t "_blank)**, the Minister of Energy and Oil, Rafael Ramírez, informed that from 2005 to 2010 the expansion plan of the Venezuelan oil industry has produced investments by $60.3 billion.According to what Ramírez explained on Tuesday, funds have been invested as follows: 22 percent in oil exploration and production, 10 percent in gas, 31 percent in joint ventures and the Venezuelan Oil Corporation (CVP), 9 percent in refining projects, 23 percent to develop crude oil improvers, 1 percent in non oil activities.“We have invested more than 53 percent in exploration and production activities and 23 percent in improver-related activities,” said Ramírez.The 2010 operational report states that the Venezuelan oil industry will invest $212.6 billion in exploration and production (21 percent), the Orinoco Oil Belt (26 percent), gas (21 percent), national refining (13 percent), international refining (6 percent), among other prohects, from 2011 to 2021.

The ***[Plan Siembra Petrolera](http://venezuela-us.org/es/energia-ambiente-10/" \l "7" \t "_blank)*** (Oil Sowing) considers a production of 6 million oil barrels per day for 2021, out of which 3,900,000 will be produced in the Orinoco Oil Belt.

### Extension – US domestic oil production solves

#### Venezuela Oil Not Key to US oil demand

Jegarajah 13,

(Sri Jegarajah, business and financial markets correspondent at CNBC's Asia headquarters in Singapore, 3/5/13, “Venezuela-the next risk for Oil markets'”, CNBC, 7/3/13 SS, http://www.cnbc.com/id/100520892)

Furthermore, the energy boom in the U.S. has helped cut dependence of Venezuelan net crude and oil products and exports to the U.S. have dropped to levels last seen nearly 30 years ago. "The U.S. would not miss Venezuelan oil very much," Coronel said. "Whatever disruption would be almost entirely psychologically induced."¶ A founding member of the OPEC, Venezuela's total deposits stood at an estimated 296.5 billion barrels at the end of 2011, according to BP's 2012 annual Statistical Review of World Energy. That compared to Saudi Arabia's 265.4 billion barrels.¶ However, Ed Morse, global head of commodities research for Citigroup Global Markets, described the statistic as "irrelevant" because the Latin American producer is struggling to secure enough investment and technical expertise to unlock the resource.¶ "The issue is not what's in the ground and commerciable, rather how quickly it can be put into production and so long as there's no capital flowing into the upstream in Venezuela, especially capital by the companies that have the technology to develop the heavy oil reserve base, the resource levels are going to remain kind of irrelevant," he said last June.

#### Domestic oil/shale resources solve US Oil dependence and international price fluxuations

**Jaffe 3-27-13**

(Amy Myers Jaffe (@AmyJaffeenergy) is executive director of energy and sustainability at University of California at Davis Graduate School of Management. She was formerly the director of the Energy Forum at the James A. Baker III Institute for Public Policy at Rice University., “The Experts: How the U.S. Oil Boom Will Change the Markets and Geopolitics,” <http://online.wsj.com/article/SB10001424127887324105204578382690249436084.html>)

For four decades, the geopolitical leverage achieved by large petro-exporting states has been a major challenge for the U.S. and its allies. Now, the rapid growth of oil and natural-gas production from unconventional shale resources in North America is rapidly eliminating this threat, with positive geopolitical implications for the U.S. As political uncertainty spreads across the Mideast, rising U.S. shale-oil production may become a more critical touchstone to market stability. In fact, the U.S. shale-oil boom might roll back the clock to the 1960s when a U.S. oil surplus (via the Texas Railroad Commission), put Washington, not Riyadh, as the world's swing producer. In a world where the U.S. will have few, if any, oil imports to replace during a global supply outage, Washington will have more discretion to use the Strategic Petroleum Reserve to help allies in times of crisis or to prevent oil producers from using energy cutoffs to achieve financial or geopolitical goals. U.S. oil and gas exports will also garner closer ties to allies and friendly countries through closer economic relations. A domestic oil and gas boom will also bring the US back to a stronger economic footing, possibly giving the country back some of the financial sway that previously allowed it to dominate international organizations like the United Nations and the World Bank. U.S. foreign aid and even energy exports could become a stronger counterpoint to continuing Chinese global investment. Beijing might also find soon that its overt policies of aiding problem states like Iran and Syria and thereby tying up the U.S. in conflicts across the Middle East will become more and more counterproductive over time as rising energy costs hit oil-import dependent China harder than an energy self-sufficient America.

### Extensions – no impact to oil shocks

#### No impact to oil shocks

**Kahn 11** (Jeremy, 13 feb 2011, “Crude reality,” http://articles.boston.com/2011-02-13/news/29336191\_1\_crude-oil-shocks-major-oil-producers, CMR)

Economists have a term for this disruption: an oil shock. The idea that such oil shocks will inevitably wreak havoc on the US economy has become deeply rooted in the American psyche, and in turn the United States has made ensuring the smooth flow of crude from the Middle East a central tenet of its foreign policy. Oil security is one of the primary reasons America has a long-term military presence in the region. Even aside from the Iraq and Afghan wars, we have equipment and forces positioned in Oman, Saudi Arabia, Kuwait, and Qatar; the US Navy’s Fifth Fleet is permanently stationed in Bahrain.

But **a growing body of economic research suggests that this conventional view of oil shocks is wrong**. The US economy is far less susceptible to interruptions in the oil supply than previously assumed, according to these studies. Scholars examining the recent history of oil disruptions have found the worldwide oil market to be remarkably adaptable and surprisingly quick at compensating for shortfalls. Economists have found that much of the damage once attributed to oil shocks can more persuasively be laid at the feet of bad government policies. The US economy, meanwhile, has become less dependent on Persian Gulf oil and less sensitive to changes in crude prices overall than it was in 1973.

#### Multiple empirical examples – no impact on economic prospects

**Kahn 11** (Jeremy, 13 feb 2011, “Crude reality,” http://articles.boston.com/2011-02-13/news/29336191\_1\_crude-oil-shocks-major-oil-producers, CMR)

Gholz and Press are hardly the only researchers who have concluded that we are far too worried about oil shocks. The economy also faced a large increase in prices in the mid-2000s, largely as the result of surging demand from emerging markets, with no ill effects. “If you take any economics textbook written before 2000, it would talk about what a calamitous effect a doubling in oil prices would have,” said Philip Auerswald, an associate professor at George Mason University’s School of Public Policy who has written about oil shocks and their implications for US foreign policy. “Well, we had a price quadrupling from 2003 and 2007 and nothing bad happened.” (The recession of 2008-9 was triggered by factors unrelated to oil prices.)

Auerswald also points out that when Hurricane Katrina slammed into the Gulf Coast in 2005, it did tremendous damage to offshore oil rigs, refineries, and pipelines, as well as the rail lines and roads that transport petroleum to the rest of the country. The United States gets about 12 percent of its oil from the Gulf of Mexico region, and, more significantly, 40 percent of its refining capacity is located there. “Al Qaeda times 1,000 could not deliver this sort of blow to the oil industry’s physical infrastructure,” Auerswald said. And **yet the only impact was about five days of gas lines in Georgia, and unusually high prices at the pump for a few weeks.**

### Extensions Oil prices high now

#### Oil prices skyrocket- U.S. crude oil entry

**Domm 2013**

(Patti, CNBC Executive News Editor, “Oil Prices jump as US Crude Takes Bigger Role on World Oil Stage,” CNBC, 7-10-13, 7-10-13, http://www.cnbc.com/id/100877474)//KC

It may seem counterintuitive, but as more U.S. crude oil comes onto the market, it's helping to push domestic prices higher. The industry has been innovating ways to move millions of barrels of shale oil from the center of the country to coastal refineries, and its efforts are paying off. Government inventory data Wednesday showed the steepest two-week drop in crude inventories in 30 years. Commercial oil inventories fell 9.9 million barrels from the week earlier, on top of a 10 million-barrel decline last week. West Texas Intermediate crude futures for August delivery zipped higher as a result, settling up $2.99 at $106.52 a barrel, its highest close since March 2012. Brent crude, the international benchmark, rose slightly, to just over $108.20 a barrel, bringing the spread with WTI to about $2—compared with $20 recently.

#### Oil prices rise- Egypt and China

Kollmeyer 2013

(Barbara, Editor/reporter at MarketWatch, “Oil prices could be the next monster under the bed for the economy,” The Wallstreet Journal Market Watch, 7-10-13, 7-10-13, http://blogs.marketwatch.com/thetell/2013/07/10/oil-prices-could-be-the-next-monster-under-the-bed-for-the-economy/)//KC

Oil prices are drawing attention on Wednesday and that wasn’t for nothing. The price of West Texas Intermediate crude CLQ3 topped $105 a barrel, a level not seen in more than a year, while London’s Brent crude UK:LCOQ3 contract topped $108 a barrel, which hasn’t happened since earlier this year. The trigger appears to be supply data, which showed crude supplies dropping by double what analysts expected. Price Futures Group analyst Phil Flynn summed it up: “This is a big shock. While most were looking at another drawdown in supply, no one expected this drop.” Oil also got a boost from a big China trade data miss, which some say could provoke some policy easing out of China, a country whose growth engine is already sputtering. Oil likes growth, and especially China growth. But the other big driver for oil has been continuing political tension in Egypt, which controls the Suez Canal — a key chokepoint for producers. Wells Fargo advisors was among those voices warning investors not to chase gains as a positive outcome in Egypt could lead oil to pullback. But for now, plenty are not so sure oil will calm down and more concerned about what that means for the economy. One big worry is that higher oil prices will cause pain at the pumps, largely for Americans, though Europeans will also be feeling pinched (some say China and India are already at a pain threshold), and they are already in a rut of an economic situation (just ask the IMF). Keith McCullough, chief executive officer at Hedgeye Risk Management was flagging it to clients on Wednesday: “Oil is testing a breakout above our long-term tail-risk line of $108.36/barrel this morning. Our global macro model says that oil price (or higher) is where we choke global consumption demand. Since U.S. consumption growth effectively doubled in the last 6 months to 2.4% vs. 1-1.2% prior, that’s a headwind, on the margin.”

### 1nc frontline – US Credibility Advantage

#### 1. Non-unique Snowden spying revelations generating anti- US opposition – rallying cry against US position in region

**Herald Sun, 7-11-13**

(“Latin America demands answers from US”, Herald Sun News, July 11, <http://www.heraldsun.com.au/news/breaking-news/latin-america-demands-answers-from-us/story-fni0xqll-1226677541481>, accessed on 7/10/13, BT)

FROM neighbouring Mexico down to Argentina, Latin American nations are demanding answers from the United States after a report of vast US spying in the region, on close allies and leftist critics alike.Governments voiced a mix of outrage and concern after the Brazilian daily O Globo, citing documents leaked by fugitive former US intelligence contractor Edward Snowden, said several nations were targets of US electronic surveillance.The snooping included lifting data on leftist Venezuela's oil and military purchases and Mexico's drug war and energy sector as well as mapping the movements of a Marxist guerrilla group in Colombia, the newspaper said."It sends chills up my spine when we learn that they are spying on us through their intelligence services in Brazil," Argentine President Cristina Kirchner said, referring to another Globo report that the US maintained a satellite spy base in Brasilia at least until 2002.Other countries targeted by the National Security Agency, albeit on a smaller scale, were Argentina, Ecuador, Panama, Costa Rica, Nicaragua, Honduras, Paraguay, Chile, Peru and El Salvador, O Globo said.The issue will be on the agenda of Friday's summit of the Mercosur trade bloc, which includes Brazil, Argentina, Uruguay and Venezuela. The leaders of Bolivia and Honduras were also invited to the talks in Montevideo."The Mercosur meeting is an opportunity to take a common stand. Any attack on the sovereignty of one country must be answered with great firmness, because if we lower our heads, they will walk all over us," warned Brazil's presidential chief of staff Gilberto Carvalho.Brazilian President Dilma Rousseff has ordered an investigation into the report of electronic spying on its citizens and companies.Colombia, the top US ally in the region which has received billions of dollars in US military aid to combat drug trafficking and the leftist rebels, voiced concern and said it would seek answers from the US.A foreign ministry statement late Tuesday said that Colombia rejects "acts of espionage that violate people's right to privacy and international conventions on telecommunications."The US ambassador to Colombia, Michael McKinley, said he understood "expressions of concern" and that the United States had an obligation to respond through diplomatic channels to its partners.Another top ally, Mexico, said it had used "diplomatic channels" to demand "broad information" on the alleged spying.A new spying allegation emerged Wednesday when the Mexican daily Excelsior reported that President Enrique Pena Nieto's predecessor had allowed the US to install a system to intercept phone calls and internet chatter.

#### 2. **Alt causes – long term erosion of credibility - human right hypocrisy**

**Armstrong 2013**

(Fulton, National Intelligence Officer for Latin America , “U.S. Credibility Takes Another Hit,” AULA Blog and Center for Latin America and Latino Studies, 6-17-13, 7-10-13, http://aulablog.net/2013/06/17/u-s-credibility-takes-another-hit/)//KC

The domestic spying programs under the Bush and Obama Administrations further erode U.S. moral leadership in the hemisphere and probably beyond. At crucial junctures since President Jimmy Carter made human rights a pillar of policy in Latin America, U.S. moral authority has been decisive in persuading regimes on the right and the left to open the way for pluralism and democracy. Lecturing governments and militaries on the need to eschew torture, domestic spying, and other abuses, U.S. diplomats and politicians could have been charged with arrogance, but on these specific aspects of the U.S. government’s treatment of its own people, not serious hypocrisy. The U. S. had its racial and economic injustices, but trends were positive, and the country stood for the rule of law, skepticism of State Security officials’ penchant to use information for power, and a pretty solid respect for due process. Even before Carter, the Watergate scandal – and resulting resignation of the President and overhaul of the intelligence agencies – was a clarion signal that agencies created to monitor foreign affairs must keep their focus far off U.S. shores. Latin American media have carried primarily factual stories revealing the “PRISM” program, which collects data from hundreds of millions of e-mails and other electronic communications each day and stores it for exploitation by targeters (now called “analysts”) on the lookout for alleged potential terrorists, based on secret profiling. Some papers have reported that Director for National Intelligence Clapper lied to the U.S. Congress without batting an eyelash when asked directly if such activities were ongoing. Coming after reports in recent years of the use of torture (and the impunity granted to the perpetrators), the so-called “extraordinary renditions” (and the cases in which kidnap victims were innocent), the use of “black prisons” (in which security services in new democracies were encouraged to circumvent their elected officials),drone attacks (even against U.S. citizens), and the continued detention of prisoners without trial at Guantanamo (giving human rights violations in Cuba a new meaning) have all been noted throughout Latin America. PRISM may no longer be considered newsworthy. The fact that British and American newspapers eventually brought the domestic spying programs to light may hearten some in Latin America, as evidence that an essential element of democracy – a probing press –shows signs of life despite reports of Justice Department harassment of the Associated Press and other media. But sentient Latin Americans know the implications of PRISM – and what enterprising State Security “analysts” can do with years of data about even the most mundane aspects of potential targets’ lives. The Obama Administration’s defense of PRISM as necessary to defend against supposed terrorists doesn’t sell well in a region that knows how information never sits unused. The Bush Administration gave the Medal of Freedom to Colombian President Uribe, who deployed his secret intelligence agency to harass opponents and allowed his military to disappear thousands of youths. The Obama Administration’s lectures to Venezuela, Nicaragua, Bolivia and Ecuador on the need to give more space to opponents – however warranted – ring sort of hollow when, in Latin Americans’ minds, it has nurtured its own Frankenstein state-security apparatus that lacks credible checks and balances. Washington can argue that U.S. moral authority doesn’t matter, and that the “terrorist threat” it faces calls for extraordinary measures, but it will be a long time before an American statesman can wag his finger at a Latin American counterpart for doing the same thing.

#### 3. non unique and no impact - US Regional Hegemony declining in Latin America – economic influence decreasing political leverage

**Coatsworth**, leading scholar of Latin American economic and international

History, **2013**, John, “REGIONAL TENDENCIES ROOTED IN

CHALLENGES OE THE PAST”, Spring/Summer 2013, Questia, Journal of International Affairs, 7/2/13, JG

Journal: Is Latin America entering an era of post-U.S. hegemony?¶ Coatsworth: That's an interesting question, because if you look at the economic¶ trends of ¡the past two decades, it is becoming increasingly evident that¶ American economic preeminence has shrunk a great deal and is now roughly where¶ you might have expected to find it a century ago. The United States is still the¶ principle trading partner and supplier of capital and technology to Mexico, Central¶ America, and most of the Caribbean, but it is far less influential in economic terms¶ than in the past half century in the rest of South America. Country after country¶ has developed trade relationships with Western Europe and East Asia, and the¶ relative weight of the United States as a trading partner and supplier of capital¶ and technology has diminished. Countries such as Chile—that used to export¶ 80 percent of their principle exports to the United States—now export about a¶ third of their products to the United States, a third to East Asia, and a third to¶ Western Europe. The economic influence of the United States has diminished, so¶ the leverage of the United States in those political systems has also diminished. In¶ the next decade or two, one would expect to see these trends continue. The United¶ States is now becoming one partner among many, but one that Latin Americans¶ still value as they balance a traditional friend against new partners to achieve¶ 'maximum freedom of action in their own policy making.

#### 4. No solvency for advantage Venezuela seeking to counter US – the plan doesn’t solve this motivation means even if they win that they increase oil production can’t solve for credibility

**Alvarado**, former diplomat in the Mission of Venezuela to the Organization of American States, **2013**

(Liza Torres, “The US Must Re-Evaluate its Foreign Policy in Latin America”, International Relations and Security Network, May 31, <http://isn.ethz.ch/Digital-Library/Articles/Detail/?lng=en&id=164370>, accessed on 7/3/13, BT)

At the hemispheric level, the U.S.’s proposal to remove barriers to trade through the Free Trade Area of the Americas (FTAA) was subsequently rejected by Venezuela, Ecuador, Bolivia, Argentina, and Brazil in the mid-2000s. Subsequently, ALBA (Bolivarian Alliance for the Americas) was born as a counterpart to the FTAA, changing the dynamics in the hemisphere. The Alliance posed as a new model, with the purpose being international cooperation based on the idea of social and economic integration of Latin America and the Caribbean countries. China appeared as an alternative market for the sale of raw materials from Latin America, reducing dependence on U.S. markets.Failed attempts by the United States to destabilize Chavez’s administration radicalized the Venezuelan government's position, which privileged sub-regional energy agreements and broke contracts with American oil companies as the decade progressed. Venezuela became an important counterweight to the United States, not only for its ability to provide an alternative to U.S. policies in the region, but also because oil revenues had enabled the country take Cuba’s place in financing an anti-imperialist crusade across the continent. Ironically, oil prices rose as a result of increased demand caused by the Iraq war, further helping Venezuela in this mission and weakening the U.S.’s influence in the Western Hemisphere as it was focused its efforts on dual war fronts on the other side of the globe.

#### 5. No terminal impact -- no escalation of conflicts in Latin America

**Hartzell 2000** (Caroline A., 4/1/2000, Middle Atlantic Council of Latin American Studies Latin American Essays, “Latin America's civil wars: conflict resolution and institutional change.” http://www.accessmylibrary.com/coms2/summary\_0286-28765765\_ITM)

Latin America has been the site of fourteen civil wars during the post-World War II era, thirteen of which now have ended. Although not as civil war-prone as some other areas of the world, Latin America has endured some extremely violent and destabilizing intrastate conflicts. (2) The region's experiences with civil wars and their resolution thus may prove instructive for other parts of the world in which such conflicts continue to rage. By examining Latin America's civil wars in some depth not only might we better understand the circumstances under which such conflicts are ended but also the institutional outcomes to which they give rise. More specifically, this paper focuses on the following central questions regarding Latin America's civil wars: Has the resolution of these conflicts produced significant institutional change in the countries in which they were fought? What is the nature of the institutional change that has taken place in the wake of these civil wars? What are the factors that are responsible for shaping post-war institutional change?

### Ext. N/U Snowden harms US credibility in Latin America

#### **Non-unique- Latin America takes Snowden’s attempted capture personally**

**Kinzer 2013**

(Stephen, guardian reporter, “Latin America sees US diverting Morales' plane as Yankee imperialism,” 7-5-13, 7-10-13, http://www.guardian.co.uk/commentisfree/2013/jul/05/latin-america-us-morales-imperialism)//KC

In its eagerness to capture the fugitive leaker Edward Snowden, the Obama administration has taken a step that will resound through Latin American history. On Tuesday, in a still unclear sequence of events, an airplane carrying President Evo Morales of Bolivia was diverted from its flight path and forced to land in Austria. Morales was on his way home from a visit to Moscow, during which he had suggested that Bolivia might grant Snowden asylum. Someone – almost certainly in Washington – arranged for France, Italy, and Portugal to deny his plane use of their airspace. It was forced to land for refueling in Austria, and was allowed to proceed only after Austrian security officers determined that Snowden was not aboard. Such an act would have stirred anger if it had been aimed at any president, but in Latin America, it has a special resonance. Conflict with the United States is one of the overwhelming facts of Latin American history. Morales is one of several regional leaders who have won elections by promising to pull their countries out of Washington's orbit. Some of those leaders reacted angrily to the downing of Morales's plane. President Rafael Correa of Ecuador called it an "affront to all America". President Cristina Fernandez de Kirchner of Argentina condemned it as a relic of "colonialism that we thought was completely overcome". If it becomes clear that the United States was behind this action – it has not yet admitted responsibility – this incident will go down in history as the defining episode of US-Latin America relations during the Obama administration. It suggests that the United States still considers Latin American countries less than fully sovereign. Nothing angers people in those countries more. It is what they call "Plattismo". That is a reference to the Platt Amendment of 1901, which recognized Cuba as an independent country but required that it enter into no treaty and incur no foreign debts without permission from Washington, and also that it recognize the right of the United States to intervene in Cuba at will. The Platt Amendment was abrogated in 1934, but in the eyes of many Latin Americans, it still seems to define Washington's understanding of their continent. That view was immeasurably strengthened this week. In Washington, the attempt to capture Snowden by forcing down Morales's plane may have been seen as nothing more than a clever gamble. Latin Americans take it far more seriously. To them, it is a brutally humiliating blow that recalls memories of a century and a half of intervention. This episode has greatly strengthened Morales and other Latin American leaders who are critical of the United States. It makes their anti-Yanqui rhetoric seem newly credible. It has even, ironically, made Snowden a Latin American hero. Any president who offers him asylum will bathe in a wave of continent-wide admiration. That will have to be weighed, however, against the reaction from Washington. A few days ago, after President Correa suggested that he might accept Snowden in Ecuador, Vice-President Joseph Biden called him. They reportedly spoke for half an hour. Afterward, Correa's enthusiasm for accepting Snowden declined palpably. That is not surprising. The United States has means to wound Latin American countries deeply, chiefly by altering trade policies to cut imports in ways that would throw thousands out of work. The Biden phone call, followed by the action against Morales's plane, are clear signals of how seriously the Obama administration views Snowden's leaks. Some in Washington seem to consider him a cyber-enemy whose crimes against the United States are nearly equivalent to those of Osama bin-Laden. By elevating Snowden to this level, the United States has made clear that any country accepting him will be made to suffer. It also, however, provides a tempting opportunity to Latin American leaders. Whoever welcomes Snowden will instantly join the revered pantheon of rebels who dared to defy what José Martí called "the eagle with larcenous claws".

### Extension – alt causes erode credibility

#### Alt Causes -Venezuela blamed CIA for Chavez’s cancer

**Jamison**, Georgetown junior majoring in International Politics, **2013**

(Anne, “Maduro Venezuela: He Won't Usher in a New Era Of U.S.-Venezuela Relations, and That's OK”, Policy MIC, April, <http://www.policymic.com/articles/40027/maduro-venezuela-he-won-t-usher-in-a-new-era-of-u-s--venezuela-relations-and-that-s-ok>, accessed on 7/1/13, BT)

Optimists cringed as Maduro employed a [strong anti-American sentiment](http://latino.foxnews.com/latino/politics/2013/04/17/us-venezuelan-relations-remain-tense-under-maduro-experts-claim/" \t "_blank) in his campaign to be Chávez. To be fair, it would have been hard to try and embody the spirit of Chávez without aggressively opposing the United States. Maduro even went so far as to suggest that the CIA was responsible for the cancer that killed Chávez on March 5.

#### laundry list of alt causes for no US credibility

Meacham, *director of the Americas Program at the Center for Strategic and International Studies (CSIS) in Washington, D.C. Pamela Pamelá, intern scholar with the Americas Program at CSIS, provided research assistance,* 2013

(Carl, “The Kerry-Jaua Meeting: US-Venezuelan Relations”, CSIS, June 21, <http://csis.org/publication/kerry-jaua-meeting-resetting-us-venezuela-relations>, accessed on 7/1/13, BT)

Similarly, Venezuela severed ties with the Drug Enforcement Agency (DEA) in 2005. On the day Chávez’s death was announced, Maduro, as caretaker, expelled two U.S. air force attachés based in the Caracas embassy, accusing them of espionage. The United States retaliated in kind. The Maduro government also arrested U.S. filmmaker Tim Tracy for allegedly instigating postelection violence, though many pointed out he was simply in Venezuela to film a documentary on politics in the country. (Tracy was released without further explanation the same morning Kerry and Jaua met.) Suggestions by members of the Venezuelan government that the United States may have given Chávez the cancer that caused his death have certainly not helped relations either, neither have repeated accusations targeted at former officials and U.S. military and intelligence involvement in countless evidence-free plots.

### Extension no solvency – credibility

#### No solvency – Venezuela won’t shift perceptions of the US

**Drezner, 2013**

(Daniel March 7 2013 “Why Post Chavez Venezuela wont be a us ally anytime soon” http://drezner.foreignpolicy.com/posts/2013/03/07/why\_post\_chavez\_venezeula\_wont\_be\_a\_us\_ally\_anytime\_soon

The passing of Hugo Chavez has prompted the usual 21st century cycle of news coverage and commentary that follows the death of a polarizing figure: the breaking news on Twitter, followed by [the news obits](http://www.bbc.co.uk/news/world-latin-america-21679053" \t "_blank), followed by the [hosannahs from supporters](http://www.cartercenter.org/news/pr/hugo-chavez-030513.html" \t "_blank), followed by [denunciations of the figure](http://cotton.house.gov/media-center/press-releases/cotton-responds-to-the-death-of-venezuelan-president-hugo-chavez" \t "_blank), followed by official statements, followed by [mealy-mouthed op-eds](http://www.nytimes.com/2013/03/07/opinion/latin-america-after-chavez.html?ref=global" \t "_blank), followed by [hysterical, unhinged criticism](http://www.washingtonpost.com/blogs/right-turn/wp/2013/03/06/obamas-atrocious-statement-on-tyrant-chavezs-death/" \t "_blank) of standard diplomatic language. ¶ Now that the first news cycle has passed, we can get to the more interesting question of [assessing Venezuela's future](http://www.slate.com/articles/news_and_politics/politics/2013/03/hugo_chavez_s_legacy_the_former_venezuelan_president_was_not_the_typical.html" \t "_blank). There was always a fundamental irony to Hugo Chavez's foreign policy. Despite his best efforts to chart a course at odds with the United States, he could never escape [a fundamental geopolitical fact of life](http://www.cfr.org/economics/venezuelas-oil-based-economy/p12089" \t "_blank): Venezuela's economic engine was based on exporting a kind of oil that could pretty much only be refined in the United States. ¶ So, with Chavez's passing, it would seem like a no-brainer for his successor to tamp down hostility with the United States. After all, Chavez's "Bolivarian" foreign policy was rather expensive -- [energy subsidies to Cuba alone](http://www.bloomberg.com/apps/news?pid=newsarchive&sid=a9ggxjg_1BUU" \t "_blank) were equal to U.S. foreign aid to Israel, for example. With [U.S. oil multinationals looking hopefully at Venezuela](http://www.csmonitor.com/Environment/Latest-News-Wires/2013/0306/With-Hugo-Chavez-gone-US-oil-industry-eyes-Venezuela" \t "_blank) and Caracas in desperate need of foreign investment, could Chavez's successor re-align foreign relations closer to the U.S.A.? ¶ I'm not betting on it, however, for one simple reason: Venezuela might be the most primed country in the world for anti-American conspiracy theories. ¶ International relations theory doesn't talk a lot about conspiracy thinking, but I've read up a bit on it, and I'd say post-Chavez Venezuela is the perfect breeding ground. Indeed, the day of Chavez's death his vice president/anointed successor was already [accusing the United States of giving Chavez his cancer](http://online.wsj.com/article/SB10001424127887323494504578342440377083144.html?mod=WSJ_hpp_LEFTTopStories" \t "_blank).

Besides that, here's a recipe for creating a political climate that is just itching to believe any wild-ass theory involving a malevolent United States:

1) Pick a country that [possesses very high levels of national self-regard](http://www-news.uchicago.edu/releases/06/060301.nationalpride.shtml" \t "_blank).

2) Make sure that [the country's economic performance fails to match expectations](http://www.businessweek.com/articles/2013-03-05/hugo-chavez-rip-he-empowered-the-poor-and-gutted-venezuela" \t "_blank).

3) Create political institutions within the country that are [semi-authoritarian or authoritarian](http://www.hrw.org/news/2013/03/05/venezuela-chavez-s-authoritarian-legacy" \t "_blank).

4) Select a nation with [a past history](http://www.h-net.org/reviews/showrev.php?id=852" \t "_blank) of U.S. interventions in the domestic body politic.

5) Have [the United States play a minor supporting role](http://www.guardian.co.uk/world/2002/apr/21/usa.venezuela" \t "_blank) in a recent coup attempt.

6) Make sure the United States is [closely allied](http://www.colombiaemb.org/Partnership" \t "_blank) with [the enduring rival](http://www.npr.org/templates/story/story.php?storyId=112323635" \t "_blank) of the country in question.

7) Inculcate a long history of [accusations](http://www.theatlanticwire.com/global/2011/12/hugo-chavez-nuttily-claims-us-gives-south-americans-leaders-cancer/46759/" \t "_blank) of [nutty, American-led conspiracies](http://reason.com/blog/2010/01/20/chavista-experts-say-us-milita" \t "_blank) from the political elite.

8) Finally, create a political transition in which [the new leader is desperate to appropriate any popular tropes](http://www.nytimes.com/2013/03/07/world/americas/a-leaders-cry-in-venezuela-i-am-chavez.html?ref=global-home&_r=0&pagewanted=all" \t "_blank) used by the previous leader.

Venezuela is the perfect breeding ground for populist, anti-American conspiracy theories. And once a conspiratorial, anti-American culture is fomented, it sets like concrete. Only genuine political reform in Venezuela will cure it, and I don't expect that anytime soon. ¶ Oh, and by the way: Those commentators anticipating a post-Castro shift by Cuba toward the U.S., should run through the checklist above veeeery carefully. ¶ Am I missing anything?

#### Conspiracy theory overwhelms the plan

**Meacham**, *director of the Americas Program at the Center for Strategic and International Studies (CSIS) in Washington, D.C. Pamela Pamelá, intern scholar with the Americas Program at CSIS, provided research assistance,* **2013**

(Carl, “The Kerry-Jaua Meeting: US-Venezuelan Relations”, CSIS, June 21, <http://csis.org/publication/kerry-jaua-meeting-resetting-us-venezuela-relations>, accessed on 7/1/13, BT)

**Does the Venezuelan government want good relations?** Despite recent discussions with the United States, it doesn’t seem to be the case. Earlier this year, the Venezuelan government suspended talks between the U.S. State Department and Venezuelan Foreign Ministry that had begun in late 2012, citing alleged U.S. meddling in Venezuela’s April election. The Maduro government has also largely followed the Chávez playbook, constantly accusing the United States of assassination plots, spying, and economic and political sabotage. While the Kerry-Jaua meeting may have made for nice headlines, it’s difficult to imagine that the Venezuelan government will not play the anti-U.S. card again, if needed.

### No impact – terrorism in latin America

#### No impact- Risk of terrorism in Latin America low

**Sullivan and Beittel 2013** (Mark and June, Specialist in Latin American Affairs and Analyst in Latin American Affairs, “Latin America: Terrorism Issues,” 4-5-13, 7-2-13, http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=2063&context=key\_workplace)//KC

For most countries in Latin America and the Caribbean, threats emanating from terrorism are low. Terrorism in the region is largely perpetrated by groups in Colombia and by the remnants of radical leftist Andean groups. According to the Department of State, most governments in the region have good records of cooperation with the United States on anti-terrorism issues, although progress in the region on improving counterterrorism capabilities is limited by several factors, including corruption, weak governmental institutions, weak or non-existent legislation, and reluctance to allocate sufficient resources. Both Cuba and Venezuela are on the State Department’s list of countries determined to be not cooperating fully with U.S. antiterrorism efforts, and Cuba has remained on the State Department’s list of state sponsors of terrorism since 1982. U.S. officials and some Members of Congress have expressed concern over the past several years about Venezuela’s relations with Iran, with concerns centered on efforts by Iran to circumvent U.N. and U.S. sanctions and on Iran’s ties to Hezbollah, alleged to be linked to two bombings in Argentina in the 1990s. There is disagreement, however, over the extent and significance of Iran’s activities in Latin America. The State Department maintains that there are no known operational cells of either Al Qaeda or Hezbollah-related groups in the hemisphere, although it notes that ideological sympathizers continue to provide financial and moral support to these and other terrorist groups in the Middle East and South Asia.

### 1nc frontline – production investment solvency

#### 1. Ambassador brouhaha undercut relations – they won’t say yes to investment

Metzker, 2013

(Jared, “Analysts Say Oil Could Help Mend U.S.-Venezuela Relations,” 6/17/2013, <http://www.ipsnews.net/2013/06/analysts-say-oil-could-help-mend-u-s-venezuela-relations/> accessed tm 7/7

Indeed, Negroponte said she was “optimistic” about the possibility of rapprochement between the two countries within the next six months. She notes a “troika” of issues on which the United States is looking for Venezuelan cooperation: counter-terrorism, counter-narcotics and assistance in ridding Colombia of its FARC rebels.¶ Nonetheless, major actions remain to be taken if normalisation is to even begin, such as the exchange of ambassadors and official U.S. recognition of the Maduro government. Shifter (who regards the Kerry-Jaua meeting as “a small step”) was not optimistic that these larger requirements will be completed in the short term.¶ “I don’t think Washington is going to push hard to send an ambassador to Caracas,” he said. “It will probably take more time to observe the new government and see where it is going.”¶

#### 2. No need for plan -- Refineries increasing in sq

**Oil and Gas Journal 2013** (“Contract let in [PDVSA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727403822&csi=8039&A=0.597916982103987&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA%20&indexType=C" \t "_parent) refinery upgrade” May 20, lexis accessed TM 7/3)

The prime contractor for an upgrade of the 180,000-b/d [Petroleos de Venezuela SA](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727403822&csi=8039&A=0.597916982103987&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=Petroleos%20de%20Venezuela%20SA%20&indexType=C" \t "_parent) refinery at Puerto La Cruz, Venezuela, has let a contract for construction of key modularized units to Wison Offshore & Marine Ltd. (OGJ Online, July 29, 2011).¶ After completion of the project, the refinery, which now runs light and medium crude oil, will be able to process 210,000 b/d of heavy and extra-heavy crude oil from Venezuela's Orinoco region.¶ The project includes construction of a 50,000-b/d deep-conversion unit based on HDH Plus technology developed by Intevep, [PDVSA's](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727403822&csi=8039&A=0.597916982103987&sourceCSI=3652&indexTerm=%23CC00028KH%23&searchTerm=PDVSA%27s%20&indexType=C" \t "_parent) research unit. It also includes a three-train sequential hydroprocessing unit, a 130,000-b/d three-train vacuum unit, upgrade of two atmospheric distillation units, auxiliary and service units, interconnections, and tanks.¶ Wison Offshore received the contract from Hyundai-Wison, a consortium of [Hyundai Engineering & Construction Co.](http://www.lexisnexis.com.ezproxy.lib.utexas.edu/lnacui2api/search/XMLCrossLinkSearch.do?bct=A&risb=21_T17727392749&returnToId=20_T17727403822&csi=8039&A=0.597916982103987&sourceCSI=3652&indexTerm=%23CC000214F%23&searchTerm=Hyundai%20Engineering%20&%20Construction%20Co.%20&indexType=C" \t "_parent) Ltd., Hyundai Engineering Co. Ltd., and Wison Engineering Ltd. that holds the engineering, procurement, and construction contract.¶ Wison Offshore, for which the project represents a first in onshore module fabrication, will provide pipe racks and equipment modules weighing about 26,000 tonnes, handling fabrication design of the steel structures, material procurement, construction, precommissioning, and loadout. Hyundai-Wison will provide the pipeline, equipment, and electric facilities and instrumentation.

#### 3. Plan can’t solve investment – absence of rule of law discourages FDI

**Meacham**, Director of the CSIS Americas Program, **2013**

Carl, The Aftermath of Venezuela’s Election: Headed for a Default?”,

June 21, 2013, http://csis.org/publication/aftermath-venezuelas-election-headed-default, 7/1/13 JG

Furthermore, arbitrary legal decisions may further undermine investor confidence in Venezuelan institutions. As Capriles has pointed out, the Supreme Court is likely to rule in favor of President Maduro, despite evidence of electoral fraud. If the country’s highest court rushes to rule in favor of a controversial result without considering the evidence, it will further raise alarms about the independence of the Venezuelan judiciary. In general, one of the major concerns of investors and debt issuers is the country’s ability to guarantee their rights and contracts in case of controversies. Many concerns have been raised regarding the checks and balances of the Venezuelan rule; a hasty decision by the Supreme Court will only reinforce them.

#### 4. NO solvency evidence that US overtures will be accepted – private businesses can solve without US government pressure

### Extension - No solvency human rights

#### US intervention is ineffective and not needed – Chavism will collapse on its own

**Bandow 2013**

(Doug, Senior Fellow at the Cato Institute, “With Hugo Chavez Dead, Will Chavismo Also Die?”, Institute, March 7th 2013, http://www.cato.org/publications/commentary/hugo-chavez-dead-will-chavismo-also-die, accessed 7/1/13, JK)

The good news for Venezuela is that Chavez never really created Chavismo. It was a movement and regime based on one person. Remove that person, and the foundation disappears. The system may stagger on for a time, but likely has been irretrievably weakened. The Obama administration has begun discussions with Caracas about restoring full diplomatic relations—most importantly, returning ambassadors to both capitals. That is a worthwhile objective, but Washington should avoid political meddling during the transition. The best the U.S. can do is urge Venezuela’s neighbors, such as Brazil, to press for a fully free and fair election. Washington’s democratic credentials in the region long ago were tarnished by support for authoritarian regimes. In Venezuela the Bush administration smiled benevolently at a 2002 coup attempt against Chavez, which quickly collapsed. Today there is little for official America to do or say other than wish Venezuelans well in charting their own future—hopefully in a more liberal and democratic direction. What Venezuelans most need is a government which empowers them, not political elites claiming to speak for them. A government which disperses rather than concentrates power, accepts rather than punishes criticism, and allows rather than impedes enterprise. Hopefully Chavez’ death will provide the necessary opportunity for Venezuelans to take back control of their lives and country.

# US – Venezuela Relations Defense

**\*\*\*\*Also reasons why the plan can’t solve for increased investment**

### Relations low – Snowden

#### Relations low – Snowden asylum

**Arkin and Bruton, 07/07/13**

Daniel and Brinley “Venezuela: Snowden has until Monday to respond to asylum offer <http://worldnews.nbcnews.com/_news/2013/07/07/19333719-venezuela-snowden-has-until-monday-to-respond-to-asylum-offer?lite> accessed tm 7/7

¶ Venezuelan officials say they have not heard from Edward Snowden since the country offered the professed NSA leaker asylum, but would wait until Monday to hear if he would take up the offer. ¶ ¶ “There has not been any type of communication,'' Foreign Minster Elias Jaua said on state television late on Saturday. “We are waiting until Monday to know whether he confirms his wish to take asylum in Venezuela.”¶ ¶ News of the apparent deadline followed the announcement by the president of Bolivia that it was joining Venezuela and Nicaragua in indicating that they would offer asylum to fugitive, who is believed to be hiding inside the transit zone of Moscow’s Sheremetyevo Airport as the United States continues efforts to have him extradited.¶ ¶ Now that the presidents of Nicaragua, Bolivia and Venezuela have offered to grant NSA leaker Edward Snowden asylum, it's unclear what will happen to him or where he will go. But wherever it is, it won't come soon enough for Russian President Putin. NBC's Jim Maceda reports.¶ ¶ Bolivia’s Evo Morales made his offer Saturday, three days after a plane carrying the leftist leader over Europe was rerouted amid reports that Snowden was aboard. The change in flight plan set off a diplomatic storm that heightened tensions between the United States and the South American nation.¶ ¶ President Nicolas Maduro of Venezuela both condemned the U.S. spy programs that Snowden revealed and said he deserved protection.

#### Venezuela asylum ends reconciliation talks

NYTimes, 7/6/13

<http://www.nytimes.com/2013/07/07/world/europe/russian-official-says-venezuela-is-the-best-solution-for-snowden.html?_r=0> accessed

In fact, the United States and Venezuela recently began talks toward reconciliation, progress that a senior Obama administration official said Saturday would end if Venezuela sheltered Mr. Snowden, as President Nicolás Maduro said he would, or aided his journey. The official cautioned other nations in Latin America, hinting that relations would worsen if they assisted Mr. Snowden.

### Relations low – non-Snowden reasons

#### US Venezuelan Relations Low – Iran, China, espionage accusations

Multiple obstacles to US Venezuelan relations – plan can’t solve

**Meacham**, Director of the CSIS Americas Program, **2013**

Carl, “The Kerry-Jaua Meeting: Resetting U.S.-Venezuela Relations?”,

June 21, 2013, <http://csis.org/publication/kerry-jaua-meeting-resetting-us-venezuela-relations>, 7/1/13 JG

Despite many fits and starts to advance relations in recent years, genuine improvements in the relationship have been hard to come by. Various U.S. government agencies hold sanctions against elements of the Venezuelan government, including on state oil company Petróleos de Venezuela (PDVSA) for trading with Iran; on a former Iran-Venezuela Bank (IVB) for handling money transfers with a Chinese bank on behalf of the Export Development Bank of Iran (EDBI); and on the state-owned Venezuelan Military Industry Company after it traded with Iran, North Korea, and Syria. The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC), over the past five years, has also designated more than half a dozen Venezuelan government officials for acting for, or on behalf of, the Revolutionary Armed Forces of Colombia (FARC), designated a narco-terrorist organization by the U.S. agency. And, let’s not forget that the reason there are no ambassadors in Caracas or D.C. was Chávez’s refusal in 2010 to accept Obama’s nominee for the post in Venezuela. Similarly, Venezuela severed ties with the Drug Enforcement Agency (DEA) in 2005. On the day Chávez’s death was announced, Maduro, as caretaker, expelled two U.S. air force attachés based in the Caracas embassy, accusing them of espionage. The United States retaliated in kind. The Maduro government also arrested U.S. filmmaker Tim Tracy for allegedly instigating postelection violence, though many pointed out he was simply in Venezuela to film a documentary on politics in the country. (Tracy was released without further explanation the same morning Kerry and Jaua met.) Suggestions by members of the Venezuelan government that the United States may have given Chávez the cancer that caused his death have certainly not helped relations either, neither have repeated accusations targeted at former officials and U.S. military and intelligence involvement in countless evidence-free plots. Given the complex reality of the bilateral relationship, it looks like both sides have a long road ahead of them if they seek to enact positive changes.

Venezuela and US relations low now – bad feelings over April elections

**Meacham**, Director of the CSIS Americas Program, **2013**

Carl, “The Kerry-Jaua Meeting: Resetting U.S.-Venezuela Relations?”,

June 21, 2013, <http://csis.org/publication/kerry-jaua-meeting-resetting-us-venezuela-relations>, 7/1/13, JG

Despite recent discussions with the United States, it doesn’t seem to be the case. Earlier this year, the Venezuelan government suspended talks between the U.S. State Department and Venezuelan Foreign Ministry that had begun in late 2012, citing alleged U.S. meddling in Venezuela’s April election. The Maduro government has also largely followed the Chávez playbook, constantly accusing the United States of assassination plots, spying, and economic and political sabotage. While the Kerry-Jaua meeting may have made for nice headlines, it’s difficult to imagine that the Venezuelan government will not play the anti-U.S. card again, if needed These good-faith gestures made by the Venezuelan government are neither new nor unheard of. Despite recent efforts, U.S. policymakers should temper any positive expectations, as a core basis of Chavismo is its anti-U.S. ideology. It’s of course difficult to improve relations with a government that consistently defines itself as vehemently against your foreign policy agenda. This suggests that Venezuela may be looking to reestablish a purely economic relationship—one that will eliminate U.S. sanctions. Still, even if certain positive steps are taken, history suggests that the Venezuelan government could quickly scuttle progress made, likely with the goal of Maduro shoring up support within his own ranks

#### US-Venezuela relations hurting- election controversy proves

**Jane’s Intelligence Weekly, 2013**

(“Venezuela suspends official relations with US”, March 27, accessed on 7/2/13, Proquest, BT)

In a further deterioration of United States-Venezuela relations, the South American country has decided to suspend communication with the US over comments it made ahead of the Venezuelan 14 April presidential election.The announcement was made by Elias Jaua, the minister of foreign affairs, who asked the US "to rectify" its stance and to avoid "interfering in internal affairs". Jaua said that Venezuela has "suspended any contact and any communication that had been established with the call to [Assistant Secretary of State for Western Affairs Roberta] Jacobson in November until there is a clear message over what type of relations the US wants with Venezuela". The move follows remarks by Jacobson requesting Venezuelan authorities for the presidential election to be "open, fair and transparent".On 20 March Jaua also accused two former ambassadors in the Organisation of American States (OAS) and Venezuela, respectively, of allegedly plotting to kill opposition leader Henrique Capriles, following similar remarks made by acting president Nicolas Maduro on 13 March. Capriles downplayed those claims and the US has rejected the allegations, urging Maduro to present evidence. Maduro, Hugo Chávez's chosen successor and presidential candidate from the ruling United Socialist Party of Venezuela (Partido Socialista Unido de Venezuela: PSUV), previously caused controversy on 5 March by suggesting that the CIA could have given Chávez cancer. After Chávez's death, Venezuela expelled two US embassy military attaches, alleging they were in contact with active Venezuelan members of the armed forces.The suspension of the lines of communication between Venezuela and the US is the latest event in a process of deterioration of relations between the countries. Since 2010, neither country has had high-level diplomatic representation in the other but the current suspension of relations will not affect diplomatic and consular relations between the two countries, according to Jaua. As to the plot allegations from US diplomats against Venezuela, the move appears to be an unsubstantiated diversionary tactic aimed at mobilising supporters through the idea of an external threat and to divert the attention from the day-to-day problems affecting Venezuelans, which the government has failed to solve.

# Venezuela Economy Defense

### No Hyperinflation Now

#### No Venezuela hyperinflation, studies based off flawed definitions.

**Hanke 2013**

(Steve H, professor of applied economics at the Johns Hopkins University in Baltimore and a senior fellow at the Cato Institute, “Letter to the Editor: Venezuela Hit by Fears of Hyperinflation and Recession”, Cato, June 13th 2013http://www.cato.org/publications/commentary/letter-editor-venezuela-hit-fears-hyperinflation-recession, accessed 7/1/13, JK)

Benedict Mander’s reportage, “Venezuela hit by fears of hyperinflation and recession" (10 June 2013), adds confusion to the subject of hyperinflation, as well as to Venezuela’s inflation story. The piece mentions two definitions of hyperinflation, neither of which is used in economic research: one was dreamed up by Goldman Sachs (“seasonally adjusted annualized rates of more than 40 per cent”) and the other by the International Accounting Standards Board (“a cumulative rate of 100 per cent over three years”). Mr. Mander protects his text by asserting that “there is no fixed definition of hyperinflation”. But, there actually is a recognized scientific definition of hyperinflation. This convention, articulated in Prof. Phillip Cagan’s seminal 1956 paper, “The Monetary Dynamics of Hyperinflation”, holds that hyperinflation begins when the monthly inflation rate exceeds 50%. This is the definition that Nicholas Krus and I utilized in documenting all 56 hyperinflations in world history (“World Hyperinflations” in: The Routledge Handbook of Major Events in Economic History, 2013). Indeed, Cagan’s 50%-per-month threshold is the standard definition of hyperinflation used in economic research. Official statistics put Venezuela’s monthly inflation rate for May at 6.1%. But, official statistics never tell the real story in a place like Venezuela. Using changes in the bolivar’s black-market U.S. dollar exchange rate, I estimate that the true monthly inflation rate for May was 11.4%. That’s almost twice the official rate, but it is not even close to the hyperinflation threshold of 50% per month. Venezuela has a serious inflation problem, but the situation will have to deteriorate significantly before Venezuela can join the other 56 cases in the hyperinflation hall of shame.

### Inflation high now

#### Current Venezuelan inflation stagnating economy

**O’Neil**, senior fellow for latin America studies on council for foreign relations, **2013**

(Shannon K, “Venezuela’s Economy and Future”, Council for Foreign Relations, June 25, <http://blogs.cfr.org/oneil/2013/06/25/venezuelas-economy-and-future/>, accessed on 7/1/13, BT)

For day to day life, inflation—estimated at between 20 and 35 percent (compared to 3 percent inflation in Colombia, or 6 percent in Brazil)—erodes the purchasing power of average Venezuelans, and hits the poorest the hardest. Fueling this spiral is Venezuela’s penchant to print money to fund its social programs and to pay for its imports—according to Reuters, in 2011 [new currency topped $17 billion](http://www.reuters.com/article/2012/04/16/us-venezuela-inflation-idUSBRE83F16N20120416" \t "_blank), more than any other Latin American country.To fight inflation, the government has imposed price caps, leading to shortages of basic goods—from [toilet paper](http://www.theatlantic.com/business/archive/2013/05/so-venezuela-has-a-toilet-paper-shortage-dont-laugh-seriously/275940/" \t "_blank) to [milk](http://www.aljazeera.com/indepth/features/2013/02/2013221105648886442.html" \t "_blank), [electricity](http://www.upi.com/Business_News/Energy-Resources/2013/04/26/Electricity-blackouts-return-to-haunt-Maduro/UPI-83781367006485/" \t "_blank) to [communion wine](http://blogs.reuters.com/faithworld/2013/05/31/catholic-church-wine-supplies-run-low-in-latest-venezuelan-shortage/" \t "_blank). In fact, the Venezuelan Central Bank’s scarcity index hit 21 percent, meaning that one out of five basic goods in Venezuela can be considered in short supply.Added to these economic woes are broader societal ones, including rising crime rates. The[United Nations reports that there were some 45 homicides per 100,000](http://data.un.org/Data.aspx?d=UNODC&f=tableCode%3A1" \t "_blank), making Venezuela one of the most dangerous countries in the world. In Latin America, Venezuela is only surpassed by the notoriously bloody Honduras and El Salvador.

# CPs

### Condition on Iran CP – solvency

#### If and only if the government of Venezuela diassociates with the government and interests of the Islamic Republic of Iran.

#### Solvency - Condition on Iran policy – Maduro will give in and break with Iran

**Cardenas, 2013**

(Jose, “Venezuela’s contested election is an opportunity” April 16 2013 <http://shadow.foreignpolicy.com/posts/2013/04/16/venezuela_s_contested_election_is_an_opportunity_for_us_policy> accessed tm 7/7)

What is clear is that Venezuela's contested election likely presages a period of political turmoil not seen in the country since 2002, when Chávez was briefly ousted from power. But it also presents an extraordinary opportunity for the United States to actively defend its regional interests. No one is advocating that the Obama administration engage in mud-slinging contests with Hugo Chávez wannabes, but neither should we remain silent on matters of principle and U.S. security. ¶ For example, the Iranian presence in Venezuela, including the existence of a number of suspicious industrial facilities, and the prodigious use of Venezuelan territory for drug shipments to the United States and Europe have been tolerated for too long without any effective U.S. response. (Several high-ranking associates of the late President Chávez have been [designated](http://www.treasury.gov/press-center/press-releases/Pages/hp1132.aspx" \t "_blank) [as "drug kingpins"](http://www.treasury.gov/press-center/press-releases/Documents/2011%20Chart%20FINAL.pdf" \t "_blank) by the U.S. Treasury Department. ¶ Maduro's shaky standing today within Venezuela means there is increased leverage for the United States to hold the government accountable for its threats to regional stability. It is not likely Maduro will be able to withstand the pressure coming not only from the opposition and his own coalition, but from the United States as well. That can come in the form of more designations and indictments of Venezuelan officials involved in drug trafficking and violating sanctions against Iran, but also repeated public calls to disassociate his government from these criminal activities.

#### Avoids Rogue states DA

### Adopt the Dollar CP (solves economy advantages)

#### The United States federal government should condition implementation of (Plan) on Venezuelan adoption of the United States dollar as the official Venezuelan currency. Only when dollarization is complete should (plan) be implemented. We’ll clarify.

#### Adopting the dollar would lead to a stable economy for Venezuela

**Hanke 2013**

(Steve H, professor of applied economics at the Johns Hopkins University in Baltimore and a senior fellow at the Cato Institute, “Venezuela: On the Death of Chávez and the Ailing Bolivar”, Cato, March 12th 2013, http://www.cato.org/publications/commentary/venezuela-death-chavez-ailing-bolivar, accessed 7/1/13, JK)

When taken with the fact that Venezuela (like Iran) employs a convoluted multiple exchange-rate regime, last month’s largely symbolic devaluation demonstrated that the Chávez administration has been playing a losing game with Venezuela’s currency. Yes, this marked the seventh official devaluation of the bolivar under Chávez. Prior to this, the most recent devaluation took place in 2007, when the bolivar was devalued and renamed the bolivar fuerte, or “strong bolivar.” Talk about an ironic re-branding. So, how can Venezuela stave off a currency crisis and place its economy back on a solid monetary foundation? The solution is simple: replace the bolivar with the U.S. dollar. This option, known as dollarization, was one I presented to President Caldera, when I was his adviser back in 1995. And, it’s a model that has been wildly successful in Ecuador, where I was an adviser to the Minister of Economy and Finance and early advocate of dollarization. Ecuador’s president, Rafael Correa, has wisely retained the U.S. dollar as the country’s currency. Yes, the dollar has provided a strong anchor for the Ecuadorian economy (and the Correa regime), and it has insulated Ecuador from the economic ills that have plagued many of its neighbors. Venezuelans, are you listening?

### Ambassador CP (solves relations)

#### The United States executive should provide credentialing letters for an ambassador from the United States to Brazil, subject to the advice and consent of the United States Senate.

**Prerequisite to the plan, solves relations, and avoids politics**

**Meacham 13** (Carl, director of the Americas Program at the Center for Strategic and International Studies (CSIS) in Washington, D.C. Pamela Pamelá, intern scholar with the Americas Program at CSIS, provided research assistance, “The Kerry-Jaua Meeting: Resetting U.S.-Venezuela Relations,” *Center for Strategic and International Studies*, 6/21/2013, <http://csis.org/publication/kerry-jaua-meeting-resetting-us-venezuela-relations>, 7/3/2013, SLiu)

Q3: Should the United States pursue exchanging ambassadors? A3: If the United States continues on this road, both countries will seek to appoint ambassadors as a step in normalizing relations. Last week, the Washington Post published an editorial that suggested recent U.S. overtures to Venezuela are something of a lifeline, thrown while the Venezuelan government is struggling to maintain its legitimacy and when its neighbors, although having recognized the Maduro government, have recognized the need for an impartial audit of the election results. Many believe it more appropriate for the United States to prioritize delicate issues such as human rights violations and antidrug policies before being willing to consider reinstating ambassadors. Appointing ambassadors would certainly signal a real intention from both countries to forge a positive relationship. Having a U.S. ambassador in countries that have similar conditions to those of Venezuela is not something to be opposed across the board. In many situations, having a U.S. ambassador in a nondemocratic country serves as a symbol to advance our most cherished beliefs. It also serves as proof of the U.S. government’s willingness to keep lines of communication open. But the timing of this appointment would imply that the Unites States would deny the opposition’s claims of a fraudulent election, as well as the urgency of the audit of the election results. This also comes at a time when Venezuela is more divided than ever, politically and economically. So rather than serve as an example of a pragmatic posture, this maneuver would be viewed by a critical mass of a very motivated Venezuelan opposition as U.S. government support for the Maduro government.

### Ambassador CP – AT perm do both

#### Doing the plan first undermines the diplomatic message of ambassador appointment.

#### Plan still links to the DA – the plan increases engagement

# Disads

## Politics links

## Plan unpopular – see politics file

## Plan popular – multiple reasons

#### Turn -- Plan focus on post- Chavez Venezuela popular – viewed as effort to improve relations popular – its bipart

**Agence France Presse, 2013**

(“Obama: US supports Venezuelan people after Chavez Death”, Global Post, March 5, <http://www.globalpost.com/dispatch/news/afp/130305/obama-us-supports-venezuelan-people-after-chavez-death-0>, accessed on 7/11/13, BT)

President Barack Obama said within hours of the death of American foe President Hugo Chavez Tuesday that the United States was interested in a "constructive" future relationship with Venezuela.Antipathy in the US Congress towards the leftist champion Chavez, who died after a long battle with cancer, meanwhile bubbled up quickly, with lawmakers branding him a tyrant and one top Republican bluntly saying "good riddance.""At this challenging time of President Hugo Chavez's passing, the United States reaffirms its support for the Venezuelan people and its interest in developing a constructive relationship with the Venezuelan government," Obama said."As Venezuela begins a new chapter in its history, the United States remains committed to policies that promote democratic principles, the rule of law, and respect for human rights," he said in a short written statement.While Obama's statement was measured, as would be expected of a head of state, reactions to Chavez's death in Congress were more vituperative.

#### Turn – plan lowers gas prices – popular with the public

**Blackwell, Richmond Times-Dispatch, 2013**

(John Reid, “Drop in gas prices benefits US drivers, economy”, Times Dispatch, April 28, <http://www.timesdispatch.com/business/economy/drop-in-gas-prices-benefits-us-drivers-economy/article_24c3e0af-1861-5168-b829-9f4c9006a28a.html>, accessed on 7/11/13, BT)

A sharp decline in the price of oil this month is making gasoline cheaper at a time of year when it typically gets more expensive.That’s a relief to many motorists and business owners who have struggled with high prices for years now and hope to see lasting relief at the pump.“I am happy to see it go down, and I would like to see that continue,” said Doug Duke, a Richmond resident who works as a consultant. “The nature of my business is I have to drive and travel, and (gas) is a major expense.”“I don’t think it is just me,” he said. “I think a lot of people’s incomes have leveled out or gone down, and fuel prices have gone up dramatically” in recent years.Over much of April, the price of oil declined, helping extend a slide in gas prices that began in late February.Analysts say pump prices could fall an additional 20 cents over the next two months.In the Richmond area, the average price for a gallon of unleaded gasoline stood at $3.36 Friday, down 17 cents a gallon from a month ago and 43 cents from a year ago.Nationwide, average retail prices have fallen to $3.51 per gallon, or 28 cents per gallon, since Feb. 27 when gas prices reached a high this year of $3.79 per gallon.Low demand and signs of ongoing weakness in the economic recovery seem to be contributing factors to the decline in prices, AAA Mid-Atlantic reported.But the recent decline should help consumers as the summer travel season arrives.“It means more money in your pocket,” said AAA spokeswoman Windy VanCuren. “Not spending as much on gas means more money to use on your vacation.”

#### Link – plan focus on energy independence bipartisan and popular

**Davenport, 2013**

(Carol, March 25 “5 Easy Pieces of Energy Legislation” National Journal <http://www.nationaljournal.com/daily/five-easy-pieces-of-energy-legislation-20130325> accessed tm 7/11)

After half a decade in which the energy debate in Washington has been dominated by political posturing and produced almost no legislative action, both Democrats and Republicans who work on energy policy say they’re optimistic about prospects for a number of single-issue energy bills in this Congress.¶ The hope, they say, is that progress on some smaller-scale bills could restore the trust and relationships needed to build momentum for action on bigger bills.¶ Signs that something may be breaking loose in the energy deadlock come as members of Congress surprised even themselves last week by reaching bipartisan agreement on a stopgap budget bill absent the dramatic brinksmanship that has, until recently, dominated fiscal debate.¶ Democratic Sen. Ron Wyden of Oregon, the new Senate Energy and Natural Resources Committee chairman, told *National Journal Daily* he’s optimistic that, with the bitter politics of the presidential election behind them, lawmakers are now interested in actually passing legislation.¶ “What’s different now—beyond the fact that elections are a renewal—is that a very significant group of senators are coming up and saying, ‘We’ve just got to find a way to move ahead on energy,’ ” Wyden said. “Energy can’t just be an ongoing polarized bickerfest where everyone sits around and throws rotten fruit at each other.”¶ There’s a growing urgency among lawmakers to take on energy policy, in particular, since energy—where it comes from, how much it costs, how many jobs it generates—is central to the health of the economy. Also growing is the desire to address the fossil-fuel pollution that contributes to global warming.¶ Congress last passed a major energy law in 2007, but the provisions of that law don’t do much to address today’s most pressing issues, including high oil prices, greenhouse-gas emissions, and surging energy demand in countries such as China and India.

#### Plan popular – GOP critical of lack of US strong policy in Venezuela – plan reverses that

**Wall Street Journal, 2012**

<http://blogs.wsj.com/washwire/2012/07/11/gop-attacks-obama-for-downplaying-chavez-threat/> accessed tm 7/11

The GOP for years has worried about mischief made by Mr. Chavez and his allied countries, the so-called ALBA bloc of nations, which includes Bolivia, Ecuador, and Nicaragua, and which is dedicated to spreading a “Bolivarian” socialist revolution throughout the region. Fanning the worries even more, China’s huge investments in Latin America have intensified fears that the U.S. was being pushed out of its own back yard.

## China DA (cards here could go either way so be wary of what you read)

### Uniqueness – China influence now

**Chinese influence in Venezuela increasing now**

**Marquez 13** (Humberto, “GOLD: CHINA MAPS OUT VENEZUELA'S VALUABLE MINING RESOURCES,” *Global Information Network*, 2/28/2013, ProQuest, 7/2/2013, SLiu)

CARACAS, Feb. 28, 2013 (IPS/GIN) - An agreement signed by the government of Venezuela and the Chinese state-owned company Citic Group for prospecting and mapping the country's mining reserves is being challenged by both the opposition and experts who argue that it will leave valuable natural resources dangerously exposed. Oil and Mining Minister Rafael Ramirez said "the mining map will be used to explore, confirm and quantify the country's mineral resources" and, over the five years in which the agreement will be implemented, some 400 Venezuelan engineers will be trained "to serve as custodians" of the data compiled by the Chinese consortium. So far the Venezuelan government has said nothing about how the knowledge gathered by China -the world's largest consumer of raw materials- will influence future mining decisions and whether it will entail benefits or advantages for the Citic Group. But simultaneously with the prospecting agreement, Citic Group was awarded a concession to operate the group of gold mines Las Cristinas, which has already seen several operators since Hugo Chavez took office in 1999, including the Canadian companies Placer Dome, Vanessa Ventures and Crystallex, and the Russian company Rusoro. Las Cristinas, in the southeast region of Guayana, has some 20 million ounces in confirmed and potential reserves, valued at about 32 billion dollars, according to current New York market gold prices. The location of Las Cristinas, situated near a town that bears the name of the legendary lost city of gold used by indigenous peoples of South America to lure European conquistadors away in the sixteenth century, puts China almost literally at the gateway of a modern El Dorado that is no myth. Legislator Americo de Grazia, who represents the opposition Radical Cause party in the National Assembly's Energy and Mining Committee, spoke with IPS about the agreement signed on Sep. 21, 2012 between Chavez and Citic Group President Chang Zhenming, questioning the government for not making the terms of the deal public. "Parliament should oversee this operation -- which it was not consulted about -- because of the magnitude of what it involves and because it poses a threat to our sovereign rights over underground resources that are protected under the constitution," said de Grazia, who represents mining districts bordering with Brazil and Guyana in southeast Venezuela. The prospecting agreement is part of a growing alliance between the two countries, which has turned Venezuela into a major source of petroleum for China, while the Asian giant is meeting the South American country's growing need for credit to finance its constant outflow of public funds. Venezuela exports over 600,000 barrels of crude oil a day to China, according to Ramirez, although other sources put the figure at half that much. Beijing, in turn, has granted Caracas more than 38 billions dollars in credits, and at the same time it participates in energy and construction projects. Mapping out mining resources in South America and other such activities, "are very valuable to China, which has an increasingly greater need to access dependable and lasting supply sources for all kinds of raw materials, to guarantee that it will have the basic elements necessary to implement its long-term National Development Plan," Chilean expert Chihon Ley told IPS. With this plan, China hopes to become the world's leading economic power by 2048, or earlier, said Ley, Asia Program director at Chile's private Adolfo Ibanez University. Although globally Venezuela is known primarily for its great oil production, it also has massive mineral reserves. It has enough iron reserves, for example, to supply China, the world's leading consumer of that metal. Other reserves with export potential include bauxite (the main source of aluminium), phosphates, gold, diamonds, copper, uranium and even coltan and thorium, two rising stars of technology industries.

**Chinese-Venezuelan relations high and increasing**

**Oxford 13** (“VENEZUELA: Maduro focuses on foreign policy,” *Oxford Analytica Daily Brief Service*, 5/22/2013, ProQuest, 7/2/2013, SLiu)

The visit of Li was an important boost for Maduro and sent out a message of Chinese confidence in the new government. Li was very public in his enthusiasm for a deepening of Chinese-Venezuelan ties, and stressed the importance to China of relations with Venezuela: Since the signing of bilateral cooperation agreements between the two countries in 2001, trade between Venezuela and China has grown from 3 million dollars to 17 billion, with over 320 agreements signed (see VENEZUELA: Russia, China give Chavez breathing space - April 22, 2010). China is now Venezuela's second largest trading partner after the United States, and receives 410,000 barrels per day of oil from Venezuela, up from just 43,000 in 2005. Relations between the two countries are overseen by the China-Venezuela High Level Joint Commission, with Chinese investment in Venezuela channeled through the China-Venezuela Fund, which has capital of 32 billion dollars. Areas of cooperation were expanded at the tenth anniversary meeting of the accords in 2011 and now account for a Chinese presence across diverse areas of the Venezuelan economy including energy, electricity and oil services, satellite and mobile telecommunications, technology, agriculture, construction, mining and industry. An additional 40 billion dollars of investments and loans was agreed in February 2012. Li's visit was a demonstration of ongoing Chinese commitment to the strategic alliance that was developed under Chavez, with the May 2013 visit resulting in four new accords, including for the construction of a port at the site of PDVSA's Pequiven chemical plant in Carabobo. Notably, both the Cuban and Chinese agreements signed by Maduro include a commitment to deepening political ties and exchanges between the countries, for example with the ruling United Socialist Party of Venezuela (PSUV) committing to send members to China for intellectual exchanges with the Chinese Communist Party. The incorporation of a more political angle to these bilateral relations marks the stamping of Maduro's own ideological identity and ambitions on foreign policy.

#### China taking charge of Latin America now – challenging US dominance

Zhongguo 3/1/13, (Jiexi Zhongguo, Initiative of China policy observatory, political analyst, journalist, “China in South America: Argentina, Brazil, and Venezuela”.

With the US decline and the world economic crisis, countries of the South have for the first time the opportunity to influence global governance. The G20 summits, an important example of South-South cooperation that connects different regional powers, reflect the new paradigm full of symbolism where emerging ¶ powers want to lead its own developing process. The Chinese position in these summits suggests the role of ¶ leadership that Beijing is willing to undertake. China frames cooperation with the South within its perception of the international system, contesting the hierarchy of power in main political and economic forums, ¶ such as the UN and WTO, in a clear opposition to US unilateral dominance. Beijing is actively working to ¶ increase its political leverage and shape the agenda of international politics giving South-South cooperation a ¶ strategic dimension well beyond mutual development. This fits South American objectives, namely the ones ¶ of Brazil, Argentina and Venezuela, that aim at diversifying international partnerships and perceive China ¶ as an alternative to the traditional orientation towards Latin America, the US and Europe. China is not happy with the place it occupies in the international system and is interested in ignoring many of the Western ¶ norms. Positioning itself as a stakeholder, China creates the basis for an alternative international order using ¶ persuasion. The Chinese soft power in South America may be a drop of water in a much broader strategy.

## Links

#### China investing in Venezuelan oil

Giacalone 5/1/13,

(Rita Giacalone **Rita Giacalone** has a PhD in history from Indiana University. She is professor at the Faculty of Economic and Social Sciences of the University of the Andes, Mérida, Venezuela, José Briceño Ruiz PhD in Political Science at the Institute d'Etudes Politiques d'Aix-en-Provence, France. He is professor at the Faculty of Economic and Social Sciences of the University of the Andes, Mérida, “The Chinese–Venezuelan Oil Agreements: Material and Nonmaterial Goals”, Latin American Policy, 7/1/13, SS, http://onlinelibrary.wiley.com/doi/10.1111/lamp.12006/full)

In Venezuela, a nation in which oil constitutes the bulk of exports, the People's Republic of China (PRC, subsequently China) has recently entered the field of oil exploration and production in association with the government. Venezuela has hailed this decision as opening the possibility of obtaining independence from U.S. companies that had traditionally dominated this field, but the deal has been criticized because Chinese investments in the exploitation of natural resources belonging to the state could deepen Venezuelan dependence on oil exports revenues, increase the already large role of the state in the economy, and curtail future oil sales to guarantee debt repayment of a Chinese loan to a bilateral fund

### Links – trade with Venezuela

#### In face of declining US presence, China increasing trade with region

IBT 6/28/13, (International Business Times, “Latin America Increases Relations With China: What Does That Mean For The US [http://www.ibtimes.com/latin-america-increases-relations-china-what-does-mean-us-1317981#](http://www.ibtimes.com/latin-america-increases-relations-china-what-does-mean-us-1317981) accessed tm 7/8

China has had its sights on Latin America for the past decade and is now positioning itself as a competitive trade partner in the region. The populous, rapidly developing Asian nation covets oil, soybeans and gold, of which Latin America has plenty, and has been slowly but steadily increasing its presence and its trade with several countries there.¶ The U.S., whose history of blocking outside political influence in Latin America going back to the Monroe Doctrine, has been directing its attention elsewhere, as Michael Cerna of the China Research Center observed. “[The U.S.'] attention of late has been focused on Iraq and Afghanistan, and Latin America fell lower and lower on America’s list of priorities. China has been all too willing to fill any void,” Cerna said.¶ Between 2000 and 2009, China increased its two-way trade with Latin America by 660 percent, from $13 billion at the beginning of the 21st century to more than $120 billion nine years later. Latin American exports to China reached $41.3 billion, almost 7 percent of the region's total exports. China’s share of the region’s trade was less than 10 percent in 2000; by 2009, the number had jumped to 12 percent.¶ As impressive as that growth is, the numbers still pale in comparison to the U.S.' stats in its commercial relationship with Latin America. The U.S. still holds more than half of the total trade, adding up to $560 billion in 2008. Notably, though, America’s trade participation in Latin America has remained static, while China is closing the gap more and more each year -- having already surpassed the U.S. in some countries, including powerhouse Brazil.

## Iran Relations

### They say “Iran influence is good”

#### No - Iran is obtaining uranium from Venezuela with the prospect of proliferation

Azpuru 13, (Dinorah Azpuru, professor of Wichita State University, PhD in political science, 2013, Iran is Not Highly Trusted in the Western Hemisphere, <http://www.vanderbilt.edu/lapop/insights/IO891en_v2.pdf>)

In addition to advancing its economic interests,¶ it is clear that Iran has a political agenda aimed¶ at decreasing the country’s international¶ isolation, particularly by forming alliances with¶ other countries that share its anti‐American¶ stance. Yet some observers believe Iran has¶ more menacing goals in Latin America such as¶ obtaining uranium for its nuclear program or¶ developing the infrastructure to carry out¶ terrorist attacks against Western targets in the¶ region (Berman 2012, Cárdenas 2012, Goforth¶ 2012, Noriega 2012, Seligson 2013).Declarations¶ by the Venezuelan government that Iran is¶ assisting Venezuela in its search for uranium¶ reserves certainly heightened suspicions about¶ the nature of the two country’s interactions¶ (Padgett 2009). Moreover, critics note that Iran¶ and its proxies are implicated in the terrorist¶ bombing of the AMIA Jewish community¶ center in Buenos Aires in 1994 and the foiled¶ plot to hire a Mexican drug cartel to kill the¶ Saudi Ambassador to the United States in 2011¶ (Levitt 2012, Savage and Shane 2011). Still,¶ others remain skeptical that Iran’s increased¶ presence in the region poses a serious security¶ threat to the United States, dismissing such¶ claims as either unfounded or simply paranoid¶ (Main 2013, Miller 2013

#### US crushing Iranian Influence in Venezuela in status quo

**Goodman, 2013**

(Joshua, “Iran Influence in Latin America Waning: US Report Says”, Bloomberg, June 26, <http://www.bloomberg.com/news/2013-06-26/iran-influence-in-latin-america-waning-u-s-report-says.html>, accessed on 7/2/13, BT)

“We’ll seek to have good relations with all nations, including Latin American states,” Rohani said during his first post-election press conference June 17, in response to a question about the attention he’ll devote to [Latin America](http://topics.bloomberg.com/latin-america/).

Under Ahmadinejad’s watch, Iran added embassies in Latin America and more than doubled trade with Brazil, the region’s biggest economy. With Chavez, Ahmadinejad signed more than 100 accords to support everything from a campaign to build homes in [Venezuela](http://topics.bloomberg.com/venezuela/) to a joint venture to manufacture bicycles, which Chavez jokingly referred to as “atomic” two-wheelers.

The two countries also established in Caracas the [Banco Internacional de Desarrollo](http://www.bid.com.ve/indexsp.htm), which together with its main Iranian shareholder, Bank Saderat, is accused by the U.S. of being a vehicle for the Ahmadinejad government’s funding of the Middle Eastern terrorist group Hezbollah.

Yet with Iran’s economy crippled by sanctions, many of the projects haven’t gotten off the ground. For example, pledges from 2007 and 2008 to help build a $350 million deep-water port off Nicaragua’s Atlantic coast and an [oil refinery](http://topics.bloomberg.com/oil-refinery/) in [Ecuador](http://topics.bloomberg.com/ecuador/) have yet to materialize. Nor has it built what former Secretary of State [Hillary Clinton](http://topics.bloomberg.com/hillary-clinton/) warned would be a “huge” embassy in Managua.

That hasn’t prevented the Obama administration from trying to curb Iran’s influence. In 2011, it imposed sanctions on state-owned oil company Petroleos de Venezuela SA for defying sanctions on Iran. It also implicated an Iranian man working out of Mexico in a plot to kill Saudi Arabia’s ambassador to [Washington](http://topics.bloomberg.com/washington/).

#### Iran-Venezuelan Relations resilient

**Press TV, 2013**

(“Iran, Venezuela relations to last forever Ahmadinejad”, Press TV, June 10, <http://www.presstv.com/detail/2013/06/10/308225/iran-venezuela-relations-to-last-forever/>, accessed on 7/3/13, BT)

In a Monday meeting with the new Venezuelan Ambassador to Tehran Amenhotep Zambrano, President Ahmadinejad said that relations between the two countries are at a very high level and are growing stronger by the day. ***“Iran and Venezuela are on the same front and have common enemies, ideals and goals and will stand firmly by each other,” the Iranian president added.***He said nothing can prevent the deepening of friendship and brotherhood between the two countries as they “are beyond bilateral diplomatic ties and will last forever.” President Ahmadinejad said Latin American nations have awakened and are treading the path of independence, dignity and resistance, which will lead to victory.   
He also praised the late Venezuelan President Hugo Chavez as a great figure and the symbol of resistance.   
In the meeting, the Venezuelan ambassador submitted his credentials to the Iranian president and praised bilateral ties between the two countries, saying imperialism is rattled by Iran-Venezuela unity. 

### They say “Iran influence is bad”

#### Non-Unique – Iranian influence waning in Latin America

**Goodman, 2013**

(Joshua, “Iran Influence in Latin America Waning: US Report Says”, Bloomberg, June 26, <http://www.bloomberg.com/news/2013-06-26/iran-influence-in-latin-america-waning-u-s-report-says.html>, accessed on 7/2/13, BT)

Iran isn’t actively supporting terrorist cells in Latin America and its influence is waning in the region after almost a decade of promises to increase investment, according to a State Department report.While Iran’s interest in Latin America is a “concern,” sanctions have undermined efforts by the Islamic republic to expand its economic and political toehold in the region, according to the unclassified summary of yesterday’s report.“As a result of diplomatic outreach, strengthening of allies’ capacity, international nonproliferation efforts, a strong sanctions policy, and Iran’s poor management of its foreign relations, Iranian influence in Latin America and the Caribbean is waning,” according to the report.The findings disappointed some Republican lawmakers who say President Barack Obama’s administration is underestimating the threat from Iran. The report comes as the U.S. takes a wait-and-see approach to President-elect Hassan Rohani, who has vowed to seek more dialog with the U.S.“I believe the Administration has failed to consider the seriousness of Iran’s presence here at home,” said Congressman Jeff Duncan, a Republican from South Carolina who wrote the legislation requiring the State Department report. “I question the methodology that was used in developing this report.”

## Russia Relations

### High now

#### Uniqueness - Russia-Venezuela Relations High now – Summit proves

**ITAR-TASS, 2013**

(“Russia, Venezuelan oil companies to set up joint ventures”, May 22, accessed on 7/2/13, ITAR-TESS News Agency)

Russia's oil industry major Rosneft and the Venezuelan corporation PDVSA are expected on Thursday to sign documents on instituting a joint venture named PetroVictoria that will develop the Carabobo 2 oilfield, Rosneft CEO Igor Sechin told reporters upon the end of talks with Foreign Minister Elias Jaua. The document that has received the approval of the country's National Assembly /parliament/ will be signed at the Jose factory in the presence of Venezuelan President Nicholas Maduro.Rosneft will have a 40% stake in the Carabobo 2 project. Assessments put the recoverable reserves of the oilfield at 700 million tons of crude oil.According to Sechin the Russian company is **engaged** in seven projects in **Venezuela** at the moment and it is eyeing a greater presence there by joining new projects, some of them on the continental shelf.Sechin said Russia hopes to develop cooperation with Venezuela in the oil and gas sector and in other areas. One of them is the supplies of drilling equipment.Sechin said he had brought along with him a message from President Vladimir Putin to President Maduro. In the course of the meetings that will take place Wednesday and Thursday, the Russian delegation and its Venezuelan counterparts will discuss and specify in more detail a number of economic projects.The discussions are taking place in the run-up to a Russian-Venezuelan summit.Elias Jaua said one more issue at his talks with Sechin Wednesday was bilateral cooperation in the field of defense and related technologies. More specifically, the sides adjusted their positions on the supplies of Russia military hardware to Venezuela.In addition, the two sides took up the issue of cooperation in the banking sector.

### Low now

#### Venezuela Relations with Russia are gone with Chavez

Tarasenko and Safronov 13 (March 11, 2013, “Will Russia’s Cozy Relationship with Venezuela Die with Chavez” <http://www.worldcrunch.com/world-affairs/will-russia-039-s-cozy-relationship-with-venezuela-die-with-chavez-/venezuela-chavez-russia-oil-military-trade-weapons/c1s11149/>)

<Nicolas Maduro said that America’s military attaché, David Delmonaco, would be removed because he was destabilizing the country. A couple of hours later, the vice-president was on the TV again. “Commandante Hugo Chavez died at 4:25 p.m. local time,” he announced with a shaky voice, and called on Venezuelans to come together and wipe away their tears. “Viva Hugo Chavez,” he said, raising his fist in a symbol of victory.

Thousands of people filled the streets in Caracas, and Venezuela entered a weeklong national mourning. Chavez was buried on Friday, and Russia sent the head of [Rosneft](http://en.wikipedia.org/wiki/Rosneft" \t "_blank) energy giant Igor Sechin, Minister of Industry Denis Manturov and the general director of Rostechnology.

Now Venezuela is preparing to elect a new president. No matter who wins, whether it is Chavez’s designated successor or the opposition candidate, experts say that there will likely be serious changes.

“No new government is going to continue the sharp anti-Americanism that Chavez governed with," explained Fedor Lukyanov, a representative of the Russian Council on Foreign Relations. "[If Maduro wins](http://worldcrunch.com/world-affairs/meet-the-former-bus-driver-who-could-take-over-for-cancer-stricken-hugo-chavez/maduro-ch-vez-cancer-cabello-psuv-candidate/c1s10367/" \t "_blank), the relationship between Caracas and Washington will improve. If the opposition wins, then the country will totally reorient itself towards the United States.”

[The Kremlin](http://worldcrunch.com/world-affairs/top-kremlin-foe-dies-of-aids-after-prison-ordeal-raising-human-rights-questions/c1s3877/" \t "_blank) has expressed hope that “the positive and constructive Russian-Venezuelan relations will remain unchanged.” But Lukyanov is convinced to the contrary: “The 2000s were an anomaly, when Venezuela became one of Russia’s most important world trade partners, and that anomaly is unlikely to survive Chavez’s death, because it was connected to Chavez personally, to his personal political views and ambitions.”

Another experts says: “many of the agreements between Caracas and Moscow will remain, at least on paper, but others will likely be revisited.”

<Vladimir Semago, the vice-head of the Russian-Venezuelan Commerce Council is even more emphatic. “Now that Hugo Chavez is gone, all of this pretense of friendship with Venezuela will go, too,” he told Kommersant. “There was never any real partnership between our countries, there were only attempts to convince Russians that Moscow was colonizing Latin America, like it did in Africa during [Soviet times](http://worldcrunch.com/tech-science/estonia-how-a-former-soviet-state-became-the-next-silicon-valley/tallinn-skype-developers-internet-high-tech/c4s10988/" \t "_blank).”

According to Semago, one of the most ambitious projects – the creation of an oil consortium that is a partnership between the Russian national companies and the Venezuelan oil company – is a “total myth.”

“The consortium was never allowed to do anything and never accomplished anything. There were only ever two Russian companies that were interested, anyway,” Semago explained.

There are even more questions about the future of Russian-Venezuelan military partnerships, because those deals were always intimately connected to Chavez himself. When Chavez visited Moscow in 2004, he signed the first two major military contracts, for over $550 million worth of [military equipment](http://worldcrunch.com/culture-society/in-putin-039-s-russia-a-modern-return-of-the-ultra-patriotic-cossacks/russia-cossack-military-unit-ussr/c3s10879/" \t "_blank). “The work was hard, but as soon as Chavez got involved, it was like there was suddenly understanding on both sides,” said a source familiar with the negotiations. “And in all of the subsequent weapons negotiations he took a very direct role.”

In 2011, Chavez was able to get an agreement for Russia to extend a $4 billion dollar credit to Venezuela for weapons purchases. “Even though extending this credit was basically suicide, we still did it, because it was important for us to maintain a good relationship with Caracas,” explained a source in the Federal service for military partnerships. “But when it became clear that you couldn’t have a dialogue with anyone but Chavez himself, the other members of the Venezuelan delegation stopped making an effort to work with us.” >

# Maduro Credibility DA

Thesis - Maduro holding to power but needs to distance from US to manage his opponents. Plan perceived as Maduro conceding to the US, emboldening his opponents to take him on. Maduro necessary for Venezuela position on FARC-Colombia peace talks

### 1nc Shell – Venezuela Political Stability DA

#### Maduro dealing with multiple internal factions – anti –US shores up his position

Metzker, 2013

(Jared, “Analysts Say Oil Could Help Mend U.S.-Venezuela Relations,” 6/17/2013, <http://www.ipsnews.net/2013/06/analysts-say-oil-could-help-mend-u-s-venezuela-relations/> accessed tm 7/7

According to Michael Shifter, president of the Inter-American Dialogue, a Washington-based think tank, Maduro has offered “conflicting signals”.¶ “Maduro has so far shifted in his position toward the U.S. between a moderate approach and a more hard-line one,” Shifter told IPS.¶ "Venezuela cannot confront its economic crisis and the United States at the same time." -- Diana Villiers Negroponte¶ The new president’s waffling may be a reflection of his tenuous grip on power. By many accounts, Maduro lacks the political prowess and rabble-rousing charm of Chavez, who enjoyed military backing as well as fervent support from the lower classes.¶ In addition to a strong anti-Chavista opposition that openly challenges the legitimacy of his narrowly won election, Maduro has had to deal with a split within Chavez’s own former political base.¶ Shifter pointed out that among the military, which was once a source of significant strength for Chavez, more support is given to Diosdado Cabello, currently head of Venezuela’s parliament and whose supporters believe he was the rightful heir to the presidency.¶ Maduro’s legitimacy stems largely from his perceived ideological fidelity, the reason for his selection by Chavez to lead in the first place. Shifter said this leads him to “emulate” his predecessor and makes rapprochement with the United States less probable.¶ Still, ideological concerns may not ultimately decide the issue. Venezuela has inherited from Chavez an economy in difficult straits, which continues to suffer from notorious shortages and high inflation.

internal link and impact –

Maduro key to Venezuelan participation in Colombian - FARC conflict resolution

Shifter Adjunct Professor of Latin American Studies at Georgetown University's School of Foreign Service **20**13 --- (3/11/2013, Michael, “The Empire Makes Nice: Is it time for a Venezuela reset?” <http://www.foreignpolicy.com/articles/2013/03/11/the_empire_makes_nice_venezuela_hugo_chavez?page=0,1> accessed tm 7/7)

In fact, Maduro has been instrumental in the Venezuelan government's constructive role in current peace talks in Havana between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC). His support to what is arguably Washington's closest South American ally in an effort to bring to an end the only remaining armed conflict in the hemisphere can be construed as an example of his pragmatism.

#### Colombian escalation will disrupt the Panama Canal

Richard **Millett** (sr fellow at North-South Center, emeritus prof of history at Southern Illinois Univ, and foreign policy expert) **2002** “Colombia’s Conflicts: The Spillover Effects of a Wider War,” Strategic Studies Institute, October, http://www.strategicstudiesinstitute.army.mil/pdffiles/PUB14.pdf

In the view of those in the United States, concerned about issues of Panama Canal security in the wake of the U.S. military withdrawal, the spillover of Colombia’s conflicts into Panama represents a particularly serious threat. Panamanians have tended to downplay this, noting that the border with Colombia is remote from any installations related to the Canal and pointing out that it was clearly in the guerrillas interest to abstain from any actions which might provide an excuse for direct U.S. military actions against them. Rand analysts Rabasa and Chalk largely concur, pointing out that “the constraints against a guerrilla move against Panama or the Canal are largely political,” but adding that if the Colombian government “succeeded in putting real pressure on the guerrillas,” this might change their calculations.58 Of all the bordering nations, Panama is the most vulnerable, having neither regular armed forces nor direct land connections with the border region, a long history of the usage of Panamanian territory by Colombian narcotraffickers, and a lack of any real capacity to control its land, sea, or air frontiers. Panama’s problems have three distinct, but interrelated aspects. The first are the actions of armed Colombians, insurgents, and/or paramilitaries in its national territory. The second encompasses the wide range of criminal activities, notably, but by no means exclusively, narcotics trafficking, linked to Colombian organized crime. Finally, problems are caused by refugees moving into the Darien, representing a threat both to local inhabitants and to the region’s fragile ecological balance. All of this not only undermines Panama’s control over its remote Darien Province, it also contains the potential seriously to disrupt relations with the United States.

#### That collapses the global economy

**WJU (**Wheeling Jesuit University) **2002** Center for Educational Technologies, “Central America: Panama Canal: Economic Importance,” copyright 1999-2002, http://www.cotf.edu/earthinfo/camerica/panama/PCtopic4.html

Not only is the Panama Canal important to Panama for income and jobs, but it is also considered to be vitally important to the United States economy. Many U.S. exports and imports travel through the Canal daily (over 10% of all U.S. shipping goes through the Canal). Exports represent jobs for U.S. citizens because the products were made by U.S. workers. Imports enable U.S. consumers to receive needed products. Since the United States is the only superpower in the world, the United States is interested in keeping the global economy running smoothly. If world trade is disrupted, it can lead to worldwide economic problems. Therefore, any disruption in the flow of goods through the Panama Canal could directly hurt the U.S. and global economies. For instance, if England were selling products to Peru, England's economy would suffer if the Canal were not operating. Without access to the Canal, the cost of exports from England to Peru would significantly increase because England would have to regain the added expenses involved in sailing around South America. Because of increased prices, Peru could not afford to purchase as many products from England, which in turn would decrease England's revenues gained from exports. Decreased revenues means that England would have less money available to purchase products from the United States and other countries. A "domino effect" would be set in motion as the United States and other countries experienced similar problems with their exports and imports. This example illustrates the economic importance the Panama Canal has to the U.S. and global economies.

### Extensions – Maduro on brink

Internal link – Maduro seeking political oxygen – risk of instability

Shifter Adjunct Professor of Latin American Studies at Georgetown University's School of Foreign Service **20**13 --- (3/11/2013, Michael, “The Empire Makes Nice: Is it time for a Venezuela reset?” <http://www.foreignpolicy.com/articles/2013/03/11/the_empire_makes_nice_venezuela_hugo_chavez?page=0,1> accessed tm 7/7)

The Obama administration should take two critical facts about Venezuela's post-Chávez political reality into account. First, since Maduro is not Chávez, he will have little choice but to govern in a different fashion than his predecessor. Lacking comparable magnetism and resources, Maduro will likely be somewhat more accommodating to those Chávez treated with utter intransigence, such as the private sector, foreign investors, and the opposition. Maduro, acting out of self-interest, will need, and look for, political oxygen.

The second is simply the risk of turbulence in Venezuela, especially after the upcoming electoral cycle. To be sure, analysts' occasional predictions about political violence during the Chávez years were (happily) not borne out. And given the extent of rancor and polarization in the society, it is striking how little political violence there has been (common crime, on the other hand, [has skyrocketed](http://latino.foxnews.com/latino/news/2012/11/13/caracas-soaring-murder-rate-set-to-surpass-last-year-numbers/" \t "_blank)). Still, the security situation is far from settled -- a [militia force of 125,000](http://www.economist.com/news/briefing/21573095-after-14-years-oil-fuelled-autocracy-hugo-ch%C3%A1vezs-successors-will-struggle-keep" \t "_blank) answered directly to Chávez -- and it would be a mistake to rule out chaotic and perilous scenarios that should be of great concern to the entire hemisphere.

**Maduro legitimacy low – now key tipping point**

**The Economist 13** (“Cry havoc; Venezuela's election aftermath,” *The Economist*, 5/11/2013, ProQuest, 7/1/2013, SLiu)

As political and economic crises deepen, the army waits in the wings WITH a narrow and disputed election victory last month and an accelerating economic crisis, the man who succeeded Hugo Chavez as Venezuela's president got off to an inauspicious start. Now Nicolas Maduro's efforts to establish authority are making matters worse at home, and setting alarm bells ringing abroad. After appearing to promise a full audit of the election results, as demanded by Henrique Capriles, the candidate of the Democratic Unity (MUD) coalition, the government backtracked. Human-rights groups say that more than 200 protesters, including teenagers, were detained by the military and many beaten up. Antonio Rivero, a retired general and leading opposition member, was arrested. He is on hunger strike, charged with "inciting hatred" and "criminal association". Mr Capriles, who has asked the supreme court to annul the election, is threatened with jail. There was violence even in the National Assembly. The MUD's 67 legislators were barred from speaking and had their salaries blocked for refusing to acknowledge Mr Maduro as president. When they unfurled a banner decrying the "legislative coup" and blew whistles and vuvuzelas, the government's congressmen attacked. Maria Corina Machado, an independent, needed a three-hour operation for facial injuries. The government blamed opposition "provocation" and claimed that one congressman's bloodied face was the result of make-up. Members' mobile-phone videos showed otherwise. (Government TV cameras pointed at the ceiling during the fracas.) The neighbours are worried. Some members of Unasur, a South American political block, are smarting over the government's U-turn on the election audit, which it seems was promised in return for their attendance at Mr Maduro's inauguration. Since then Mr Maduro has accused Alvaro Uribe, a former Colombian president, of plotting to assassinate him (Mr Uribe has threatened to sue), and lashed out at Peru's foreign minister, who had called for "tolerance and dialogue". He made his foreign-policy priorities clear by seating Raul Castro, Cuba's president, in a prominent position at his swearing-in, and making Havana his first foreign trip. Food shortages are worsening and inflation is nearing 30%. Falling oil prices have eroded foreign reserves, roughly 70% of which consist of gold, another tumbling commodity. The government has acknowledged the crisis by replacing Jorge Giordani, the hard-line finance minister, with Nelson Merentes, a moderate. But without a change of course, Venezuela is heading for social unrest. Diosdado Cabello, the speaker of the Assembly and a former army lieutenant, is seen as Mr Maduro's main rival within the chavista movement. Many on the radical, civilian left view him as a dictator-in-waiting. His contemporaries in the army are now generals. Some fear that Mr Cabello is trying to engineer violence that would leave him holding the whip hand. Mr Maduro appears to have little room for manoeuvre. In contrast to Mr Chavez's one-man show, government decisions are taken by a shadowy junta known as the "political-military command". For the first time, analysts are speaking of a split in the armed forces. Rocio San Miguel of Citizens' Control, a think-tank, says street violence requiring army intervention "could oblige the armed forces to take a [political] position". The government says this is alarmist talk put about by the opposition and Venezuela's foreign enemies. But the crisis seems ever more real.

### Links – opposition to the US key to Maduro legitimacy

#### Unique Link – Maduro using anti US stance to position himself relative to political opponents

Shinkman, national security reporter at U.S. News and World Report, **20**13

(Paul D., “Iranian-Sponsored Narco-Terrorism in Venezuela: How Will Maduro Respond? New Venezuelan president at a crossroads for major threat to U.S.,” 4/24/2013, <http://www.usnews.com/news/articles/2013/04/24/iranian-sponsored-narco-terrorism-in-venezuela-how-will-maduro-respond> accessed tm 7/8)

U.S. officials might try to engage the new Venezuelan president first in the hopes of improving the strained ties between the two countries.¶ But Maduro has never been close with the senior military class in his home country, and will likely adopt a more confrontational approach to the United States to prove his credentials to these Bolivarian elites.¶ "Maybe if he were operating in different circumstances, he could be a pragmatist," Farah says. "I don't think he can be a pragmatist right now."

#### Maduro uses anti – US rhetoric to shore up his position

**O'Reilly, 2013**

(Andrew, graduate from NYU, Writer/Producer at Fox News Latino, “U.S.-Venezuelan Relations Remain Tense Under Maduro, Experts Claim,” Fox News,

4-17-13, 7-1-13, http://latino.foxnews.com/latino/politics/2013/04/17/us-venezuelan-relations-remain-tense-under-maduro-experts-claim/)//KC

¶ After voting on Sunday in a Caracas slum, Maduro said that while he would like to reestablish relations with the U.S. “in terms of equality and respect,” Washington will always try to undermine his rule. These words followed a steady rhetoric on the campaign trail of Maduro accusing the U.S. of conspiring against him and causing disruptions in Venezuela to unseat his rule, including working with opposition labor unions and causing electric power blackouts. Experts argue that given Maduro’s anti-American sentiments leading up to the election, as well as the controversy surrounding his victory and the polarization in Venezuela, there is little hope for a change in relations between the countries. It’s hard to see [Maduro] backing off his rhetoric in the aftermath of the election...Americans will insist on a level of respect that he is not going to give them. “It’s hard to see [Maduro] backing off his rhetoric in the aftermath of the election,” Eric Hershberg, the director of American University’s Center for Latin American and Latino Studies, told Fox News Latino. “Americans will insist on a level of respect that he is not going to give them.” The death of Hugo Chávez put Maduro and the rest of the Venezuelan left in a difficult position. Chávez’s charisma held the movement together and his social spending allowed him to skirt the dicey issues of rising inflation, high crime and a fledgling economy. While the current election results are still being debated, how Maduro faces the country’s mounting problems – both politically and socially – are what will decide is he and Chavismo survive his six-year term. In 2009, Chávez led a successful push for a constitutional referendum that abolished term limits for the offices of President, state governors, mayors and congress members. The previous provision established a three-term limit for deputies and a two-term limit for the other offices, but with the 2009 referendum, Chávez – or any other leader – could ostensibly stay in power indefinitely. Maduro does not have the charm or power to hold the Chavista movement together nor make Venezuelans forget about the problems plaguing their nation. If Sunday’s vote is any indication, Venezuela is torn between Chávez’s legacy and a dismal future, with the official results giving Maduro 51 percent of the vote to challenger Henrique Capriles’ 49 percent – although opposition sources showed Capriles winning by more than 300,000 votes. “Chávez could overcome the detractors because he was viewed as a national hero, Maduro doesn’t have that,” said Larry Birns with the Council for Hemispheric Affairs. To maintain his credibility within the Chavista movement and fend off opponents from within his own party, Maduro needs to maintain his opposition to the U.S. and continue to paint Americans as imperialist intruders, experts said. “He’s got to worry about the opponents that will pose a threat to his rule,” Birns said. “These are difficult times for Maduro and no one knows how the scenario will play out.”

#### Maduro at a crossroads with U.S. policy – forging political identify independent of US

**Crescent International 2013**

(“Maduro takes up Chavez’s legacy in Venezuela,” April 2013, 7-10-13, http://www.crescent-online.net/2013/04/maduro-takes-up-chavezs-legacy-in-venezuela-3753-articles.html)//KC

Maduro faces the challenge of crafting a political identity of his own, invoking continuity with Chavez while developing an independent political persona that can bind the loyalty of Venezuelans to his platform. So far, he has been leaning on public memory of Chavez in his speeches and initiatives: he has pushed for a state-backed campaign called “I am Chavez” and once opened his shirt to show a T-shirt underneath with an image of his boss’s eyes. His supporters praise his common touch: Jose Albornoz, who worked alongside him as a legislator noted that “Nicolas is a person who can talk to anyone ... His work with unions taught him to communicate with his adversary. I think he could open a dialogue with (opposition leaders) to make sure his government is successful." In news analyses of possible directions that Maduro might take, many commentators are cautiously outlining his “pragmatism” that may possibly lead him towards a more accommodating stance towards the US transAmerican economic regime. The US media has highlighted “his pragmatism,” while some sources suggest that Maduro himself may be reaching out to the US in order to “normalize” the relationship. One periodical compared Maduro to Raul Castro, who while continuing his brother Fidel Castro’s state ideology is also inching towards neoliberal economic reform in a bid to alleviate mass poverty. At the same time, Maduro has also employed Chavez’s rhetorical invectives against US intrusions in Venezuelan sovereignty, blaming the US for causing Chavez’s cancer and expelling US diplomats from Venezuela shortly after his election, blaming them for conspiring against his government. “They have 24 hours to pack their bags and leave,” declared Maduro.

### Links – oil prices

#### Link – drop in oil prices erodes stability in Venezuela

**Nagel, Foreign Policy 2013**

(Juan, May 16 2013 “Is Venezuela becoming a Failed state” <http://transitions.foreignpolicy.com/posts/2013/05/16/is_venezuela_becoming_a_failed_state> accessed tm 7/7)

Venezuela remains mired in a political and economic crisis that shows no signs of letting up. But while street protests, soaring inflation, scarcity, and skyrocketing crime are massive headaches, the government can count on still-high oil prices to soothe the pain a bit. ¶ The question that begs asking is: How will Venezuela maintain stability if oil prices drop? ¶ A [recent report](http://www.ibtimes.com/iea-says-supply-shock-north-american-shale-tar-sands-transforming-global-energy-scene-1257095" \t "_blank) by the International Energy Agency underscores the challenges the country faces in the short term. The United States has made huge progress in oil extraction thanks to fracking technology. It is set to become the world's largest oil producer by the year 2020, and the global spread of fracking is bound to significantly increase international recoverable oil reserves in the near future. The agency crows that fracking is creating a "supply shock that is sending ripples around the world." ¶ This obviously matters to Venezuela, a country that exports large amounts of oil and little else. Venezuela is increasingly reliant on high oil prices to maintain some semblance of stability. A prolonged drop in oil prices will undoubtedly shake the foundations of the petro-state to its core.

#### Link – sustained decrease in oil prices leads to Venezuela civil war

**Nagel, Foreign Policy 2013**

(Juan, May 16 2013 “Is Venezuela becoming a Failed state” <http://transitions.foreignpolicy.com/posts/2013/05/16/is_venezuela_becoming_a_failed_state> accessed tm 7/7)

Nicolás Maduro's only claim to legitimacy is that Hugo Chávez chose him. Now he is left with the thankless task of dealing with the [Chávez mess](http://www.theglobeandmail.com/commentary/editorials/hugo-chavez-leaves-a-mess-behind/article9317467/" \t "_blank). He has surrounded himself with a Cabinet composed of many of the same old faces, and neither his policies nor his rhetoric suggest any shift toward the type of solutions that could steer Venezuela away from the precipice. ¶ The problem for Venezuelans is that there is no great reformer in the governing party. And while opposition leader Henrique Capriles would undoubtedly steer Venezuela toward greater economic freedoms, there is little he would be able to do if the price of oil were to tank. ¶ A long period of low oil prices spells doom for Venezuela's political sustainability. Without high oil revenues, basic services would practically disappear, and the potential for instability would be enormous. Already the country is stuck in a state of undeclared in civil war, and there are claims that drug smuggling has [permeated](http://www.insightcrime.org/groups-venezuela/cartel-de-los-soles" \t "_blank) the higher echelons of the government. ¶ Venezuela has so far avoided the fate of its neighbor Colombia, a country still deep in a long civil war with Marxist guerrillas and drug cartels. This is largely due to the deep pockets oil has afforded the government, which allowed for state presence even in the most remote corners of the country. It is hard to see how that presence could be maintained if oil rents were to dry up significantly, and for a prolonged period. This could lead to the type of problems that have bedeviled Colombia, or even poorer neighboring failed states such as Haiti. ¶ Even though its problems are of its own making, the thought of a large, failed state in the heart of the Western Hemisphere should trouble the continent's leaders.

#### Raising gas prices impacts political stability

**Stratfor 2013**

(“Venezuela begins its controversial economic reforms” January 31 <http://www.stratfor.com/analysis/venezuela-begins-its-controversial-economic-reforms> accessed tm 7/3 )

Perhaps most startling is a report from the website Runrun.es, which frequently reports leaked information from the regime's inner circle, alleging that the government is concerned enough about the country's economic situation to seriously consider raising the domestic price of gasoline. With enormous pressure on Petroleos de Venezuela to subsidize government economic activities, it makes a great deal of financial sense to raise the price of gasoline. Petroleos de Venezuela has a limited ability to absorb the costs associated with a very low domestic price of gasoline, which is sold for around 2 U.S. cents per liter. While a reasonable option in financial terms, the move could pose serious political challenges.

### Internal link -Maduro ouster – coup

#### **Maduro must negotiate multiple factions – military backs rival and could act**

Rajo 2013

(Carlos, Commentator/Political Analyst at Telemundo, “Analysis: If Maduro wins Venezuelan elections, he faces tough challenges,” NBCLatino, 4-12-13, 7-10-13, http://nbclatino.com/2013/04/12/analysis-if-maduro-wins-venezuelan-elections-he-faces-tough-challenges/)//KC

¶ The campaign has been a strange and, at times, bizarre event. Maduro has not only invoked Chavez’s name and figure in all his appearances, in commercials, in T-shirts and in anything related to the voting, but he went even further to claim that one recent morning Chavez’s spirit appeared to him through a “little bird” that flew into a small wood church where he was praying. The little bird, said the 50-year-old former union leader, legislator and past Foreign Minister, went around his head three times, whistled and gave him the blessing “to walk to victory.” In another remarkable moment of the campaign, Maduro asserted in all seriousness that anybody who didn’t vote for him would be “voting against himself, and the curse of the Macarapana will fall on him.” The Macarapana curse is a saying in Venezuelan popular culture that refers to a battle in the XVI century where the Spaniards defeat the indigenous inhabitants. The implication is that to vote for the opposition is to risk extinction. But because of Maduro’s advantage in most polls and the unsurprising campaign using Chavez’s memory to win election, attention already is shifting to the aftermath of Sunday’s vote. Assuming there is not a monumental miscalculation by all pollsters, soon there will be a new Maduro Administration and the challenges it will confront are tough. There are questions about Maduro’s ability to deal with an economy in crisis, with annual inflation of near 30 percent, a public deficit of around 11 percent, and with shortages of basic staples and foreign currency–the last, unique in the world for a major oil producing country that daily receives millions of dollars for the petroleum it sells. The international trend in oil consumption, with countries like the U.S. producing more local sources of energy and buying less from abroad, almost surely will bring down the price of oil, and of course, result in less income for the Venezuelan treasury. A stunning 95 percent of Venezuelan export earnings come from oil (45 percent of government revenues). Maduro also will have to deal with at least two other matters related directly to oil: the subsidy for gasoline that Venezuelans buy –$12 billion dollars annually or almost 6 percent of GDP — and the cheap oil Venezuela sells to Cuba, Nicaragua and other countries friendly with Chavismo. It won’t be easy to convince Venezuelans to pay more for gasoline — now around 18 cents a gallon — and the Chavistas, in particular, to accept a reduction in public spending. Both are necessary measures to stop the bleeding of public finances. The last time a Venezuelan government tried to cut the subsidy — in 1989 — there were riots and the military was called out to quell the violence. In regard to the countries that get oil on favorable terms — not only cheap but also on credit — Cuba is the main recipient because of the Castros’ personal relationship and political alliance with Chavez. Oil is essential to Cuba’s economic well being and under Chavez, there was not much discussion about the deal for almost 100,000 barrels of oil a day. Now Maduro will have to explain to the public why he is continuing the deal in hard times — especially if Venezuelans are asked to pay more. Maduro will govern a coalition of diverse forces that stayed united thanks largely to Chavez’s strong personality and charisma, as well as the advantages that come with having control of the state apparatus. With Chavez gone, Maduro will have to be careful of moves from all sides. From the right, a military establishment that never was close to him. From the left, various Chavistas social movements that will demand an even more radical socialist government. The issues with the military won’t be minor for Maduro. It’s true that the Commander of the Armed Forces, Admiral Diego Montero, has given his support to the Chavista candidate, saying that the men in uniform should unite to “assure that Maduro is the next president elect of all Venezuelans.” At the same time, it is not a secret that the military sees Maduro as too radical or too close to the Cubans, and that its favorite political leader was Diosdado Cabello, an ex military man, also part of the historic Chavistas – one of the few who were with Chavez during the failed coup of state in 1992 — and now the current head of the national assembly.

### Venezuela key to Colombia-FARC peace talks

#### internal link - Venezuela key player in Colombia- FARC peace talks – their withdrawal will result in Cuban withdrawal

**Stratfor, 6/18/13**

“Colombia peace talks” <http://www.stratfor.com/analysis/colombia-peace-talks-and-rebel-political-participation> accessed tm 7/7

Such guarantees could bring FARC leaders into the political fold if they prefer secure political involvement to Colombian military pressure. However, even if an agreement is reached, some [rebel combat units may not agree to a negotiated settlement](http://www.stratfor.com/analysis/colombia-rebels-struggle-uphold-unilateral-cease-fire) and instead [join regional criminal organizations](http://www.stratfor.com/analysis/colombias-president-launches-new-security-efforts) -- known locally as bandas criminales -- to stay involved in the country's lucrative drug trade. Moreover, high-level rebel leaders would reap most of the benefits of political integration, possibly leaving some lower-ranking militants with little choice but to employ their skills in a criminal organization.

The success of the ongoing talks could also be hampered by other factors, such as Colombia's unresolved political disagreements with Venezuela. Caracas has threatened to [withdraw its support from the ongoing negotiations in Havana](http://www.stratfor.com/analysis/venezuela-threatens-withdrawal-colombian-talks), a move that could derail the talks before any meaningful progress is made. Venezuela is unlikely to follow through on its threat, but doing so could encourage Cuba to follow suit. This would jeopardize the negotiations between the rebels and the Colombian government and close the window on what currently appears to be a prime opportunity for a peace deal.

#### Now is the key time for peace talks – mo for the resolution of the conflict

**Stratfor, 6/18/13**

“Colombia peace talks” <http://www.stratfor.com/analysis/colombia-peace-talks-and-rebel-political-participation> accessed tm 7/7

The talks could also be affected by Colombia's 2014 presidential election. The government has stated a goal of concluding negotiations by November 2013, making the current round of negotiations crucial to the re-election campaign of Colombian President Juan Manuel Santos, who has staked his presidency, his re-election and his legacy on forging a peace deal with the FARC. Though the negotiations will likely extend beyond the government's deadline, Bogota will attempt to reach an agreement before the election. A poll in May indicated that 67 percent of Colombians backed the peace process, but lengthy negotiations without a peace deal could erode this support. Supporters of former President Alvaro Uribe's political faction, which opposes the negotiations, would seek to use such discontent for political advantage against Santos, who currently has an approval rating of roughly 45 percent.¶ It will likely take months for negotiators to craft a political integration deal acceptable to both sides. However, the FARC's gains over land reform in the previous round of negotiations, combined with [the group's declining strength on the battlefield](http://www.stratfor.com/weekly/colombias-new-counterinsurgency-plan), will pressure its leaders to take the talks seriously. And resolving the tricky issues at stake in the current round of talks could provide the militant group with enough guarantees to remain at the negotiating table going forward.

#### Venezuela key to resolve peace talks

**News Daily 2013**

(“FARC warns Colombia peace 'deflated' by Venezuela spat,” Agence France Presse, 6-8-13, 7-10-13, http://www.newsdaily.com/article/614abaa8b6fa2419659d302a0393bff7/farc-warns-colombia-peace-deflated-by-venezuela-spat)//KC

The two sides had just reached agreement on land reform, one of five issues on the agenda for the talks, the first in a decade aimed at ending the FARC's nearly 50-year-old insurgency. "Santos's attitude deflated the optimism, the atmosphere favorable to peace that had been built through a lot of effort in Havana," the FARC said. "The matter is summed up by the fact that were it not for Venezuela, the peace talks would not have been held in the Cuban capital." The statement went on to say that the meetings, which have been underway since November, were now "in limbo" because the FARC "regards the Venezuelans as the principal factor generating confidence, and consequently are fundamental architects of the peace process."

### Venezuela Stability Good – Columbian conflict

**Be careful – stable economy = warrant**

#### Internal Link- Venezuela stability key to Colombia

**Cohn and Rao 2013**

(Carolyn and Sujata, Correspondent at Reuters and Investment strategy Correspondent at Reuters, “INTERVIEW-Venezuela instability a risk for Colombia growth-finmin,” Reuters, 6-10-13, 7-3-13, http://www.reuters.com/article/2013/06/10/colombia-economy-idUSL5N0EM30R20130610)//KC

(Reuters) - Colombia's economy faces its greatest risks this year from instability in neighbouring Venezuela and the slump in commodity prices, the country's finance minister said on Monday. Growth forecasts for the Andean country are likely to be downgraded, with 4.4-4.5 percent a likely rate for 2013, Mauricio Cardenas told Reuters editors and Reuters Television. Future growth however could see an annual boost of two percentage points, thanks to planned increases to infrastructure spending and if peace talks with Marxist-led FARC rebels - due to restart on Tuesday - succeed in ending half a century of insurgency. "We are going to make an announcement by the end of this week of between 4.4 and 4.5 percent, we are revising our projections a little downward," he said of the growth forecast which is currently at 4.8 percent. The exact revision is dependent on economic data coming through this week. Falling commodity prices are an issue for Colombia, whose main exports include oil, coal and coffee. The other worry is Venezuela, which is facing shortages of basic goods from toilet paper to wheat flour, raising fears of instability. "Developments in Venezuela are very important to us - a stable growing economy in Venezuela is very important from Colombia's perspective," Cardenas said. He added Colombia has been talking with Venezuelan ministers about the possibility of offering food for oil, or food for future oil reserves. "We are very dependent on commodity prices, and whatever happens to future oil prices," Cardenas said. The government was likely to keep a Brent crude oil reference rate of around $100 a a barrel for budget purposes, he said, not far below the current $104 level. The U.S. shale gas revolution has also cut the United States as an export destination for Colombia's coal, he added.

### Colombia Instability Impacts

#### Internal link -- Resolution of Colombian conflict key to regional stability

Shifter Adjunct Professor of Latin American Studies at Georgetown University's School of Foreign Service **20**13 --- (3/11/2013, Michael, “The Empire Makes Nice: Is it time for a Venezuela reset?” <http://www.foreignpolicy.com/articles/2013/03/11/the_empire_makes_nice_venezuela_hugo_chavez?page=0,1> accessed tm 7/7)

A peace accord between the Colombian government and the FARC (which uses Venezuelan territory as a sanctuary and was supported by Chávez) would reduce a key source of instability in the wider region. To anticipate potential turmoil in Venezuela in the coming period, Washington should be consulting regularly and at the highest levels with South American allies, especially Colombia and Brazil, who have the most at stake should the security situation deteriorate.

### **Colombian – organized crime impacts**

#### **Colombian violence causes organized crime and terrorism**

Richard **Millett** (sr fellow at North-South Center, emeritus prof of history at Southern Illinois Univ, and foreign policy expert) **2002** “Colombia’s Conflicts: The Spillover Effects of a Wider War,” Strategic Studies Institute, October, http://www.strategicstudiesinstitute.army.mil/pdffiles/PUB14.pdf

The Colombian crisis demonstrates the continuing evolution of threats to national security. Today many of the greatest threats are generated by the growing nexus between internal political violence and international criminal activities. These exist around the world, as exemplified by situations in areas as diverse as Sierra Leone, Afghanistan, and the Balkans. There seems to be little difference in the relationships, regardless of whether the conflicts are the result of ethnic divisions, religious conflicts, political ideology, or simply fear and ambition. The result is more the proliferation of lawlessness than the spread of terrorism. Today criminal activities, both international (narcotics trafficking, arms and people smuggling, money laundering) and domestic (kidnappings, extortion, robberies), have become the essential life blood of most insurgent and terrorist movements. The challenge for the governments threatened, for the United States, and for the world community is how to sever these links. Failure to do so can reduce nation-states to the position of pawns rather than principal actors in the violence which threatens to engulf them.

#### Organized crime causes global economic decline, WMD terrorism and conflicts

William F. Wechsler (former Special Advisor to the Secretary of the Treasury, Director for Transnational Threats at the National Security Council and Special Assistant to the Chairman of the Joint Chiefs of Staff) Spring 2002 The National Interest, “Law in order: Reconstructing U.S. national security,” p17(12), infotrac

As technology advanced and borders became increasingly porous after the Cold War, it became increasingly evident that international crime in all of its various forms threatened U.S. national security interests. Sometimes the threats were direct. Terrorists groups like AlQaeda, no longer as dependent on state sponsorship, began targeting Americans at home and abroad. They also engaged in a host of criminal activities apart from terrorism, from arms trafficking to people smuggling to securities fraud. Vast networks of criminals based in Russia, Nigeria, Latin America, East Asia and elsewhere went global, infiltrating the United States as one of the world’s most lucrative targets. Hackers halfway around the world broke into U.S. computer systems, including sensitive systems belonging to the military and intelligence agencies. International crime also poses indirect threats to U.S. national security. Criminal syndicates have corrupted government officials, undermined democratic governance, and hindered economic development in many countries. This has been well documented in post-communist states like Russia, developing countries like Nigeria, post-conflict societies like Bosnia and countries of particular concern to the United States like Mexico. In Colombia, groups engaged in drug trafficking, terrorist activity and other serious crimes even challenge the government itself for control over territory and the population, just as typical communist insurgencies did a few decades ago. Criminal syndicates have also helped to undermine regional stability. In Sierra Leone, for instance, the illegal smuggling of “conflict” diamonds helped finance a brutal civil war. Elsewhere in Africa and around the world, arms trafficking by organized criminal networks has stoked regional conflicts that might otherwise have died down. Criminal syndicates have been instrumental in violating U.S. and international sanctions regimes in such places as Iraq and Serbia. Russian criminal organizations are reportedly involved in smuggling materials for weapons of mass destruction--chemical, biological and nuclear. In other places, such as in Albania, criminal organizations have driven regime change, as when the collapse of a pyramid scheme precipitated anarchy and flooded next-door Kosovo with small weapons. Financial crimes such as money laundering and counterfeiting have the potential to undermine national banking systems and thereby to destabalize the global financial system. Economic crimes such as piracy--both physical and intellectual--affect U.S. companies’ competitiveness in foreign markets.

### AT they say “Snowden proves Maduro solid power base”

#### Maduro uses Snowden asylum to distract from internal Venezuelan strife

**Mallen 2013**

(Patricia Rey, covers Latin America for the International Business Times, “Venezuelan President Nicolas Maduro Offers Asylum To Edward Snowden, Creating Problems Within Venezuela,” International Business Times, 7-6-13, 7-10-13, http://www.ibtimes.com/venezuelan-president-nicolas-maduro-offers-asylum-edward-snowden-creating-problems-within-venezuela)//KC

Edward Snowden has not left Moscow’s Sheremetyevo International Airport in about two weeks, but the scandal surrounding him has reached the four corners of the globe -- particularly Latin America, where he has been considered for asylum by several countries, with Venezuela among the leading contenders after President Nicolas Maduro offered the U.S. National Security Agency leaker refuge Friday. “[Venezuela] wants to protect him from prosecution from the most powerful empire in the world,” Maduro said in an incendiary speech on his country’s Independence Day on July 5. However, not everybody in the Bolivarian Republic shares Maduro’s feeling that the asylum offer is just a generous act toward a prosecuted “freedom rebel,” as the Venezuelan president called Snowden in the speech. Opposition leader Henrique Capriles called the asylum a “trick” and a “diversion” from the real problems of Venezuela. “Miraflores [the Venezuelan equivalent of the U.S. White House] surely thought that by creating controversy with the asylum issue they would cover the disaster that is their administration,” Capriles said via Twitter. Capriles contended Maduro’s asylum offer to Snowden was a strategy to legitimize his administration in the eyes of the international community: Maduro’s government has yet to be recognized by several nations -- and by the Venezuelan opposition. “The asylum offer does not solve the financial disaster, nor inflation, nor scarcity,” said Capriles, who referred to the 19.4 percent inflation rate that the country has experienced in the first half of this year, as reported by the Peruvian newspaper El Comercio.

### Democracy internal link and impacts

### U - Venezuelan Democracy Low Now

#### Lack of democracy in Venezuela now- lack of separation between party and state, government silencing of criticisms, and a weak opposition party all hinder democratization

**Lecuna 13** (Antonio Lecuna, he is an assistant professor at the School of Business and Economics at the Unversidad del Desarrollo in Santiago, Chile, “From Chavismo to a Democratic Left in Venezuela”, Dissent, 6/1/2013, exact date not specified in article, accessed 7/2/2013, GU)

The consolidation of Chávez supporters into a single party dates from 2008. Before then, the Chavistas belonged to a variety of left-wing political parties led by Movimiento Quinta República. But, in 2008, the PSUV won control of seventeen of the twenty-two states and a clear majority of the popular vote in the nation as a whole. ¶ But the real test of whether the PSUV can nurture a healthy democracy will depend on the willingness of its leaders to enforce institutional checks on power that are already stipulated in Venezuelan law. It could start by separating key positions (for example, that of the attorney general and Venezuela’s Electoral Council) from partisan loyalties. Under Chávez, the lack of separation between party and state (including governors, mayors, and ministers), betrayed a key principle of liberal democracy. ¶ It would also help if PSUV’s leaders ceased threatening reprisal and/or dismissal against members of Congress or the judiciary who raise objections to government policy. To become a universally respected institution, the PSUV will have to harness internal voices instead of repressing them and obey a set of rules it helps to formulate.¶ At least in the near future, the opponents to Chavismo will not be able to contribute much to the democratizing project. Although they united behind Henrique Capriles in the 2013 presidential election, and he lost to Maduro by just 1.5 percent, they presented no clearly defined ideology and did not consolidate into a single right-of-center political party. Instead, the opposition cobbled together a shaky alliance of some thirty parties, including, bizarrely, the Marxist-Leninist Red Flag. In the long run, a healthy Venezuelan Right would strengthen democracy in the nation by challenging the Left to contemplate the possibility of losing power.

### Corruption Harms Democracy

#### Corruption harms democratic ideals by distancing the citizens from the political system and lowering voter turnout

**Stockemer et al. 9** (Daniel Stockemer, school of Political Studies, University of Ottawa, Lyle Scruggs, department of Political Science, University of Connecticut, Bernadette LaMontagne, Department of Political Science, University of Connecticut, “Brides and Ballots: The Impact of Corruption on Voter Turnout in Democracies”, 8/13/2009, accessed 7/3/2013, GU)

This article is an important addition to both the corruption and turnout literature. First, this study adds to the corruption literature in that it establishes another negative consequence of bribery, clientelism, nepotism, or illegal payments made to public agents with the goal of obtaining benefits and/ or avoiding costs. Corrupt practices not only hinder economic and social development, they also prevent democracies from functioning properly. Confronted with mediocre governance performance, citizens in corrupt democracies may be unwilling or unable to establish trustworthy relations with their representatives. As a result, citizens may distance themselves from the political system, preferring to stay at home on Election Day. Second, this study adds to the vast literature on turnout in that it introduces a new relevant variable, which future studies should include in their turnout models. The variable corruption is both statistically significant and substantively relevant in explaining and predicting voter turnout.¶ Future research should evaluate the impact of corruption on voter apathy in newer and growing democracies. Our theoretical model suggests, but does not test, a possible intervening mechanism of low trust in the corruption-turnout relationship. Many (non-consolidated) Latin American or African democracies (e.g. Mexico or Mali) are characterized by high rates of corruption and relatively low voter turnout. Bribery, despotism as well as vote- and seat-buying might also contribute to a phenomenon, which O’Donnell (1996) labels “delegative democracy”.19 In recent democracies corruption might not only increase the gulf between citizens and policy-makers, it might also create distrust between various relevant political actors and institutions. Future research should tackle this question, which should not only interest the democracy literature, but also practitioners and international organizations involved in democracy assistance efforts.¶ As an addition to this study, it might also be interesting to determine the impact of corruption on unconventional political participation. Frustrated with the political system, people in corrupt countries might develop some apathy to politicians and political institutions. However, it might also be the case that citizens become angered and furious with conventional channels of expression and turn to more radical forms of political action like demonstrations or boycotts. Future research could examine these two hypotheses so as to gain a more comprehensive picture of the influence of corruption on political participation.

#### Post –Chavez Venezula could continue limits on democracy

**Sullivan, Specialist in Latin American Affairs, 2013**

Mark P., “Hugo Chávez’s Death: Implications for

Venezuela and U.S. Relations” Congressional Research Service Report, April 9, <http://www.fas.org/sgp/crs/row/R42989.pdf> accessed tm 7/1/13

On the other hand, President Chávez also left a large negative legacy, including the deterioration of democratic institutions and practices, threats to freedom of expression, high rates of crime and murder (the highest in South America), and an economic situation characterized by high inflation (over 20% in 2012), crumbling infrastructure, and shortages of consumer goods. Ironically, while Chávez championed the poor, his government’s economic mismanagement wasted billions that potentially could have established a more sustainable social welfare system benefiting poor Venezuelans. Whoever wins the next presidential election will be faced with a host of significant economic, social, and political challenges facing the country. Chávez concentrated political power in his presidency and used his charisma to advance his populist “Bolivarian revolution” (named for the 19th century South American liberator Simón Bolívar). It will be difficult for Venezuela’s next president to operate in the same way since few Venezuelan politicians have the charisma and popularity that Chávez enjoyed. Given the deterioration of democratic practices under President Chávez, it also could prove difficult to restore traditional checks and balances in Venezuela’s democratic political system.

# Topicality

## 1NC Shell – Toward means toward government

#### A. Interpretation-

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| 1. Toward means in the direction of **The American Heritage Dictionary 09** The American Heritage® Dictionary of the English Language, Fourth Edition copyright ©2000 by Houghton Mifflin Company. Updated in 2009. Published by [Houghton Mifflin Company](http://www.eref-trade.hmco.com/) <http://www.thefreedictionary.com/toward>, 7/11/2013, SLiu  to·ward  (tôrd, trd, t-wôrd)  prep. also to·wards (tôrdz, trdz, t-wôrdz)  1. In the direction of: driving toward home.  2. In a position facing: had his back toward me.  3. Somewhat before in time: It began to rain toward morning.  4. With regard to; in relation to: an optimistic attitude toward the future.  5. In furtherance or partial fulfillment of: contributed five dollars toward the bill.  6. By way of achieving; with a view to: efforts toward peace.  adj. (tôrd, trd)  1. Favoring success or a good outcome; propitious.  2. often towards Happening soon; imminent.  3. Obsolete Being quick to understand or learn. |

#### 2. Venezuela refers to the government of Bolivarian Republic of Venezuela

**Collins English Dictionary 03** [Collins English Dictionary – Complete and Unabridged](http://www.thefreedictionary.com/_/misc/HarperCollinsProducts.aspx?English) © HarperCollins Publishers 1991, 1994, 1998, 2000, 2003 <http://www.thefreedictionary.com/Venezuela> 7/11/2013, SLiu

Venezuela [ˌvɛnɪˈzweɪlə]

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1. (Placename) a republic in South America, on the Caribbean: colonized by the Spanish in the 16th century; independence from Spain declared in 1811 and won in 1819 after a war led by Simón Bolívar. It contains Lake Maracaibo and the northernmost chains of the Andes in the northwest, the Orinoco basin in the central part, and the Guiana Highlands in the south. Exports: petroleum, iron ore, and coffee. Official language: Spanish. Religion: Roman Catholic majority. Currency: bolívar. Capital: Caracas. Pop.: 24 632 000 (2001 est.). Area: 912 050 sq. km (352 142 sq. miles) Official name Bolivarian Republic of Venezuela

2. (Placename) Gulf of. an inlet of the Caribbean in NW Venezuela: continues south as Lake Maracaibo

#### B. Violation- the plan not in the direction of the Bolivarian Republic of Venezuela- the plan only encourages investment in Venezuelan oil production

#### C. Prefer our interpretation and vote neg

**1. Predictable limits- their interpretation explodes the topic to include every business in Venezuela because only requires the plan an increase investment in oil production capacity. This explodes the research burden by forcing the negative to research the businesses in Venezuela**

**2. Predictable ground- can spike out of links to Venezuelan government by claiming that the investment doesn’t go toward the government of Venezuela but rather to the oil production capacity**